Q & M Dental Group (Singapore) Limited

ANNUAL REPORT 2017

CORPORATE **PROFILE**

Q & M Dental Group (Singapore) Limited (“Q & M” or the “Group”) [QC7.SI] is a comprehensive private dental healthcare group in Asia. Established in 1996, Q & M has built a distinct brand goodwill founded on its reputation. The Group operates 70 dental outlets and 4 medical clinics in Singapore. Supported by more than 200 professional dentists and over 300 supporting staff, the Group has an outreach of more than 600,000 patients.

With an extensive network of outlets spanning across various locations in Singapore, the Group makes private dental healthcare easily accessible as it continues to expand its operations via organic growth as well as acquisition across the island.

Apart from Singapore, the Group is focused on developing its core business geographically in the People’s Republic of China (“PRC”) and Malaysia by growing its existing network in both regions.

In April 2017, the Group has successfully spun off its dentistry and dental equipment and supplies distribution businesses in the Northern PRC region via the listing of our subsidiary, Aoxin Q & M Dental Group Limited (“Aoxin Q & M”) on the Catalist Board of the Singapore Exchange Securities Trading Limited (“SGX-ST”). This move has allowed the Group to maximise the full potential of this entity’s operations which is mainly based in the PRC.

To date, the Group operates 1 dental outlet in the PRC; while in Malaysia, the Group runs 6 dental clinics in Johor, 5 dental clinics in Kuala Lumpur, as well as 3 dental clinics in Malacca.

The Group was listed on the Main Board of SGX-ST on 26 November 2009. For further information on the Group, please visit www.QandMDental.com.sg.

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REGIONAL FOOTPRINT **AND LIST OF SERVICES**

Regional Footprint (as at 31 December 2017)

NUMBER OF CLINICS

Singapore

Dental:	**70**
Medical:	**4**

China

Dental:	**1**

Malaysia

Dental:	**14**

DISTRIBUTION OF DENTAL EQUIPMENT AND SUPPLIES

Singapore	**2**
Malaysia	**1**

OVER **200 DENTISTS** AND MORE THAN **300 STAFF** IN SINGAPORE; ABOUT **20 DENTISTS** AND **85 STAFF** IN MALAYSIA

MORE THAN **600,000 PATIENTS** IN SINGAPORE

LIST OF SERVICES

DENTAL

- Aesthetic / Cosmetic Dentistry
- CAD CAM Digital Dentistry
- Children Dentistry
- Consultations
- Crowns and Bridges
- Dental X-rays
- Dentures
- Extractions
- General Dentistry
- Geriatric Dentistry
- Gum Disease and Surgery
- Implant Dentistry
- Mouth guards
- Oral Surgery
- Orthodontics (Braces)
- Root Canal Treatment
- Scaling and Polishing
- Sensitive Teeth
- Teeth Grinding (Bruxism)
- Teeth Whitening
- Tooth-Coloured Fillings
- Wisdom Tooth Surgery

MEDICAL

General Health Services:

- Adult and Children Consultation
- Chronic Disease Management
- Men's Health
- Skin Care
- Hepatitis Profiling and Vaccinations
- Influenza
- Travel Advice and Vaccinations

Preventive Care:

- Cervical PAP Smear
- Family Planning
- General Health Screening
- Pre-Marital Health Screening
- Smoking Cessation
- Weight Loss Management

Vaccinations:

- Cervical Cancer
- Chicken Pox
- Childhood Vaccinations

Extensive Medical Check-Ups:

- Pre-education/Extracurricular activity Certification
- Pre-employment Checks

Minor Procedures:

- Ear Syringing
- Removal of Foreign Material
- Removal of Warts
- Suturing
- Wound Care and Dressing

MESSAGE TO **SHAREHOLDERS**

Dear Shareholders,

ACHIEVING SIGNIFICANT MILESTONES

2017 has been yet another year of significant development for Q & M. There have been uncertainties globally seen in the form of volatile oil prices, tensions in North Korea, as well as concern over the direction of interest rates, but the world economic landscape was generally positive. Against this backdrop, the Group delivered a strong performance that once again attests to its position as the leading dental healthcare provider in the industry.

Q & M maintained its preeminent position as a quality private dental healthcare provider in Singapore. We have also maintained high standards of corporate governance. Our achievements have been duly recognised and it has been our honour to be acknowledged with awards conferred. Some of these awards included the prominent Reader Digest's Trusted Brands Platinum Award 2017 (Category: Dental Clinic), Forbes Asia's 2017 Best Under A Billion Award, and Best Managed Board (Silver) for listed companies with market cap of $300 million to less than $1 billion at the Singapore Corporate Awards 2017.

For the year ended 31 December 2017 ("FY2017"), we have recorded a 20.3% dip in revenue to S$123.5million. This occurred due to the deconsolidation of Aoxin Q & M Dental Group Limited ("AQMD") from the accounts, as it changed from being a subsidiary to an associate in April 2017. The key metric, profit attributable to owners of the parent, excluding other gains/(losses), saw a 23% surge from S$11.4 million in FY2016 to S$14.0 million in FY2017.

As at 31 December 2017, the Group has a total of 70 dental outlets and 4 medical outlets in Singapore, as well as an aggregate of 14 dental outlets in Malaysia and 1 dental outlet in People's Republic of China ("PRC").

STRATEGIC ALIGNMENT OF GOALS

During the year, the Group continued in its efforts to drive growth through our two-prong strategy of focusing on organic expansion and acquisition. Towards this end, we have seen an improvement in the efficiency of our core operations, after having successfully consolidated our network of clinics in Singapore. Besides this, the Group has also been focusing on growing our core businesses in the geographical regions of Singapore, China and Malaysia.

Tapping on the grants and assistance extended by the Singapore government, we have managed to keep our expansion plan on track as we source for suitable business partners and outfits to extend our outreach.

MESSAGE TO **SHAREHOLDERS**

"The Group delivered a strong performance that once again attests to its position as the leading dental healthcare provider in the industry."

The Group reassessed some of its investment ventures and took steps to divest some of the non-strategic entities, so as to further consolidate our position and re-align our goals. We disposed of our holdings in Q & M Aesthetic & Laser Centre Pte. Ltd. and spun off our China subsidiary, AQMD to list on the Catalist Board of the Singapore Exchange Securities Trading Limited. The latter resulted in an aggregated one-time gain of S$17.1 million.

Besides reviewing our strategy regularly, it has always been our imperative to strengthen and keep the Group's finances in a healthy position. In FY2017, we established a S$500 million Multicurrency Debt Issuance Programme that will allow the Group the flexibility to issue notes and perpetual securities from time to time to fund our growth and acquisitions when necessary. Additionally, we also entered into banking facility agreements with two local banks to prepare the Group for the redemption of a S$60 million Medium Term Note which is due in March 2018.

ENLARGING OUR EXPANSION FOOTPRINT (OUTLOOK)

It has always been our focus to make quality dental healthcare easily accessible to the public in all our markets. This is the underpinning business ethos that drives our operational performance throughout the Group.

We have been delivering positive results, which is reflective of the buoyant market sentiments and the competent execution of our business plans in our 3 main geographical markets, namely Singapore, PRC and Malaysia. We actively forge strategic alliances with parties which can create value in conjunction with our existing businesses.

For the Singapore market, we will continue to seek organic growth through expanding our network of dental clinics and acquisition of specialist dental clinics. As Singapore remains our main business market, we will be focusing on our operations here through initiating a strategy of intensive growth. In line with our plans, we will expand our team of dentists to support the future development of our operations in Singapore. Notwithstanding the impact of the external business conditions, we believe that we are well-poised to seize available opportunities by catering to the rising demand for primary and higher value specialist dental healthcare services in this market.

The PRC market is a region which we see thriving growth and we are continuously working to tap into its immense potential. Towards this end, we will continue to develop our private dental healthcare market in the PRC through seeking opportunities for the acquisition of larger and established dental institutions and dental supplies manufacturers at reasonable prices in the region.

Where the Malaysia market is concerned, we currently operate 6 dental clinics in Johor, 1 dental centre and 4 dental clinics in Kuala Lumpur, as well as 3 dental clinics in Malacca. We are currently closely monitoring the situation of the Malaysian economy with the possibility of further expanding into Malaysia's private dental healthcare market.

IN APPRECIATION

Firstly, we would like to take this opportunity to welcome Mr. Chik Wai Chiew, who joined the Group as Non-Executive and Non-Independent Director in August 2017. We believe that Mr. Chik will be able to contribute positively towards the Group as we look forward to working closely together to take the Group to greater heights.

We would also like to thank our Board of Directors for their valuable guidance and insight that have helped the Group overcome obstacles and steered us towards greater success.

Last but not least, we would like to show our appreciation to all our shareholders, partners, dentists, staff and patients who have been placing their trust and faith in us, supporting us every step of the way on this meaningful journey. We will continue to create greater value for all our stakeholders in the years to come.

Mr Narayanan Sreenivasan @ N Sreenivasan
Non-Executive and Independent Chairman

Dr Ng Chin Siau
Group Chief Executive Officer

FY2017 **KEY FIGURES**

REVENUE
$123.5 m

PROFIT BEFORE TAX
$24.4 m

EBITDA
$30.9 m

CURRENT RATIO (TIMES)
0.8

CASH POSITION
$37.0 m

EARNINGS PER SHARE
3.00 cents

NAV PER SHARE
14.2 cents

OPERATIONS **REVIEW**

With a vision set on becoming Asia's leading private quality dental healthcare provider, Q & M's business plans has been characterised by aggressive expansion in the form of organic growth and acquisitions. As the Group actively seeks strategic partners and alliances to boost our position through synergistic collaborations, we also strive to grow our existing businesses in alignment with our strategy.

As testament to the positive outcome of our integrated approach and a recognition of our prominent brand reputation, we have been presented with several accolades by distinct organisations. This further underscores our market leader position in the dental healthcare industry.

Singapore

With a qualified team of professionals comprising over 200 experienced dentists and about 380 clinical and administrative personnel, our Singapore operation accounts for a substantial portion of our business. It remains the base market of the Group.

Over the years, we have marked our footprint on the local dental healthcare scene, expanding our presence as we redefine quality dental healthcare. Our unyielding commitment and staunch dedication that have seen us go the extra mile for our patients resulted in our established reputation, earning us accolades along the way. We are proud to be recognised as a Group that is now a distinct household brand in Singapore.

Particularly in FY2017, we have added several laurels to our achievements:

- Reader Digest's Trusted Brands Platinum Award 2017 (Category: Dental Clinic)
- Forbes Asia's 2017 Best Under A Billion Award
- Best Managed Board (Silver) for listed companies with market cap of $300 million to less than $1 billion at the Singapore Corporate Awards 2017
- Invisalign's Platinum Elite Provider certification
- Eco-certification (2017-2020) by the Singapore Environment Council

Besides these awards, we have also made progress in our corporate social responsibility initiatives. As a socially responsible organisation, we have consciously integrated a social disposition into our corporate culture.

During the year, we actively donated to several organisations, including education institutions like the National University of Singapore, Nanyang Polytechnic and Hong Kong University Students' Union supporting the next generation of dental practitioners. We also initiated a collaboration with Smile Asia, a global alliance of independent charities working together to treat facial deformities like cleft lip and cleft palate, to organise a donation-driven campaign on social media platforms that concluded with a S$10,000 donation from the Group.

Q&M Medical Group

Separately, as part of our plan to consolidate and focus on our core business, we divested Q & M Medical Aesthetic & Laser Centre Pte. Ltd. for a total consideration of S$0.2 million in December 2017. We also ceased the operation of a few clinics located at Boon Lay MRT, Bukit Batok and Ang Mo Kio Central to improve overall operational efficiency via consolidation of available resources. In FY 2017, we commenced 2 new clinics at Punggol MRT and Yew Tee.

Quantumleap Healthcare Pte Ltd, the dental equipment and dental supplies distribution arm in Singapore, continued to thrive by successfully securing attractive dealerships with various reputable principals. It currently serves the Group's network of clinics as well as third party dentists and dental clinics.

OPERATIONS **REVIEW**

To further enhance the cash flow of the Group, we are constantly reviewing various financing options to help us lower our borrowing cost. In FY2017, we established a S$500 million Multicurrency Debt Issuance Programme with DBS Bank Ltd., Oversea-Chinese Banking Corporation Limited ("OCBC") and United Overseas Bank Limited ("UOB") acting as joint arrangers and dealers of the programme. Under this programme, the Group has the flexibility to issue notes and perpetual securities from time to time to obtain funding for general corporate purposes.

In early 2018, we have also entered into banking facility agreements with UOB and OCBC respectively for a S$30 million, 3-year term loan, which amounted to an aggregate loan of S$60 million. It will be used to redeem the S$60 million Medium Term Note due on 18 March 2018.

As at 31 December 2017, the Group has a total of 70 dental outlets and 4 medical outlets in operations, as compared to 71 dental outlets, 4 medical outlets and 1 aesthetic centre as at 31 December 2016 in Singapore.

The People's Republic of China (PRC)

China's growing affluence as an up-and-coming developing economy holds immense potential for the healthcare industry, especially with an ever expanding middle income group. We believe that there is a massive nascent market for us to tap on as we actively seek strategic opportunities and partners to expand into this budding region.

In view of this, we have spun off the Group's dental businesses in the Northern PRC region via the listing of our subsidiary, Aoxin Q & M Dental Group Limited ("AQMD") on the Catalist Board of the Singapore Exchange Securities Trading Limited ("Catalist") in April 2017. This move has allowed the Group to maximise the full potential of this entity's operations which is based in China while giving the Group a one-time gain of S$17.1 million.

AQMD was priced at S$0.20 per placement share with SAC Capital Private Limited acting as its sponsor, issue manager and placement agent. The entity's market capitalisation stood at approximately S$71.2 million with the Group retaining about 45.9% interest in AQMD upon placement. As such, AQMD is now an associated company instead of a subsidiary of the Group.

As at 31 December 2017, the Group operates only 1 dental outlet in PRC as compared to 4 dental hospitals and 8 dental outlets in PRC as at 31 December 2016. The reduction was due to the listing of AQMD on the Catalist.

Malaysia

Our Malaysia operations span across several states including Johor, Kuala Lumpur, Selangor and Malacca. Besides our usual dental clinics, there is also AR Dental Supplies Sdn Bhd, a subsidiary of the Group, which deals with dental equipment and dental supplies distribution in the whole of Malaysia.

With a local team of management personnel which is familiar with the Malaysia dental healthcare landscape, we are able to quickly seize any available opportunities to scale up on our business and reap the benefits of economies of scale. We will continue to grow our Malaysia market by broadening our network and extending our outreach in our existing business environment.

As at 31 December 2017, the Group runs a total of 14 dental outlets in Malaysia as compared to 6 dental outlets as at 31 December 2016.

FINANCIAL **REVIEW**

REVENUE

For the financial year ended 31 December 2017 ("FY2017"), the Group's revenue from dental and medical clinics decreased by 5% to $112.8 million, from $118.7 million in the previous year ("FY2016"). The decrease of $5.9 million was mainly due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017, which was offset by higher revenue from dental outlets in Singapore.

As at 31 December 2017, the Group has a total of 70 dental outlets and 4 medical outlets in operation, compared to 71 dental outlets, 4 medical outlets and 1 aesthetic centre as at 31 December 2016 in Singapore.

As at 31 December 2017, the Group has a total of 14 dental outlets in Malaysia and 1 dental outlet in the People's Republic of China ("PRC") compared to 6 dental outlets in Malaysia and 4 dental hospitals and 8 dental outlets in PRC as at 31 December 2016.

Revenue contribution from the dental equipment and supplies distribution business decreased 22% or $3.0 million from $13.7 million in FY2016 to $10.7 million in FY2017. This was mainly attributed to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017.

Taking into account Aidite was deconsolidated in December 2016 and is now an associate of the Group, there was no revenue contribution from dental supplies manufacturing in FY2017.

OTHER ITEMS OF INCOME

Other gains in FY2017 amounted to $18.0 million as compared to $23.1 million in FY2016. The decline was a result of a lower one-time gain of $17.1 million from the spin-off of Aoxin from a subsidiary to an associate in April 2017 against a one-time gain of $21.3 million from the spin-off of Aidite from a subsidiary to an associate in FY2016.

OPERATING EXPENSES

Consumables and supplies used decreased 21% from $10.2 million in FY2016 to $8.1 million in FY2017 mainly due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017, as well as a change in accounting treatment implemented in FY2017 for instruments, which are now capitalised and amortised over 10 years, resulting in lower cost of consumables and supplies used in FY2017.

As a percentage of revenue from the dental and medical clinics, consumables and dental supplies used in the dental and medical outlets in FY2017 was 7.2% compared to 8.6% in FY2016.

The cost of sales from dental equipment and supplies distribution business decreased 24% from $9.8 million in FY2016 to $7.4 million in FY2017. The drop was mainly due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017.

As a percentage of revenue from dental equipment and supplies distribution, cost of sales for dental equipment and supplies distribution in FY2017 was 69.2% compared to 71.5% in FY2016.

There was no cost of dental supplies manufacturing as Aidite was deconsolidated in December 2016 and is now an associate of the Group.

Employee benefits expense decreased 6% from $74.6 million in FY2016 to $69.8 million in FY2017. The decrease of $4.8 million was attributed to the deconsolidation of Aidite in December 2016 and Aoxin in April 2017 from subsidiaries to associates, which was offset by an increase in employee benefits expenses for acquired and new clinics in Singapore and Malaysia.

As a percentage of revenue, employee benefits expense in FY2017 was 56.5% compared to 48.2% in FY2016.

Depreciation and amortisation expenses decreased 27% from $4.5 million in FY2016 to $3.3 million in FY2017. The decrease of $1.2 million was largely due to the deconsolidation of Aidite in December 2016 and Aoxin in April 2017. Aidite and Aoxin are now associates of the Group.

As a percentage of revenue, depreciation and amortisation expenses in FY2017 was 2.7% compared to 2.9% in FY2016.

Other expenses decreased 26% from $12.8 million in FY2016 to $9.4 million in FY2017. The reduction of $3.4 million was mainly due to the deconsolidation of Aidite in December 2016 and Aoxin in April 2017, which are both now associates of the Group.

As a percentage of revenue, other expenses in FY2017 was 7.6% compared to 8.3% in FY2016.

Other losses increased from $6.2 million in FY2016 to $7.3 million in FY2017, mainly due to provision for impairment on asset held for sale, provision for write off of other receivables and higher professional fees and expenses in relation to the spin-off of Aoxin offset by a lower provision on goodwill impairment.

SHARE OF PROFIT FROM EQUITY-ACCOUNTED ASSOCIATES

Share of profit from equity-accounted associates in FY2017 amounted to $4.0 million due to the deconsolidation of Aidite and Aoxin in December 2016 and April 2017 respectively.

FINANCIAL **REVIEW**

PROFITABILITY

In view of the above factors, the Group's profit before tax decreased 31% from $35.5 million in FY2016 to $24.4 million in FY2017.

After excluding other gains and loss attributable to non-controlling interests, profit attributable to owners of the parent surged 23% from $11.4 million in FY 16 to $14.0 million in FY2017.

STATEMENT OF FINANCIAL POSITION

Cash and cash equivalents as at 31 December 2017 decreased to $37.0 million from $44.1 million as at 31 December 2016. The decrease of $7.1 million was due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017, $1.5 million for share buyback and dividend payment of $11.2 million offset by cash received of $5.4 million for the settlement of amount owing for the subscription of preference shares in Q & M Aidite International Pte. Ltd..

Current trade and other receivables as at 31 December 2017 decreased to $15.6 million from $23.9 million as at 31 December 2016. The decrease of $8.3 million was due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017 offset by cash received for the settlement of amount owing for the subscription of preference shares in Q & M Aidite International Pte. Ltd..

Inventories as at 31 December 2017 decreased to $6.5 million from $7.6 million as at 31 December 2016, mainly due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017.

The net book value of property, plant and equipment as at 31 December 2017 decreased to $20.3 million from $27.4 million as at 31 December 2016. The decrease of $7.1 million was attributable to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017.

The intangible assets as at 31 December 2017 decreased to $53.5 million from $75.5 million as at 31 December 2016. The decrease of $22.0 million was mainly due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017 as well as the impairment on goodwill for Chuangyi.

Investment in associates as at 31 December 2017 increased to $74.3 million from $39.8 million as at 31 December 2016. The increase of $34.5 million was due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017, which was offset by the disposal of 1.98% interest in Aidite Qinhuangdao in FY2017.

Trade and other payables as at 31 December 2017 decreased to $17.9 million from $21.0 million as at 31 December 2016. The decrease of $3.1 million was mainly due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017.

Other current financial liabilities as at 31 December 2017 increased to $60.5 million from $15.5 million as at 31 December 2016. The increase of $45.0 million was mainly due to the reclassification of medium-term note ("MTN") from non-current liability to current liability as the MTN will be repaid by 18 March 2018, and therefore the current liability exceeds current assets by $15.7 million as at 31 December 2017. The Group has since secured a $60.0 million bank facility as at 25 January 2018 to repay the MTN due on 18 March 2018.

Other non-current financial liabilities as at 31 December 2017 decreased to $26.4 million from $69.3 million as at 31 December 2016 due to the reclassification of MTN from non-current liability to current liability.

CASH FLOWS

The Group generated net cash flow from operating activities of $15.7 million in FY2017. This was mainly derived from the profit generated in FY2017.

Net cash used in investing activities in FY2017 amounted to $7.4 million, mainly attributed to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017, which was offset by the receipt for the subscription of preference shares in Q & M Aidite International Pte. Ltd..

Net cash used in financing activities in FY2017 was $15.4 million mainly due to share buyback, interest payment and dividend payment of $11.2 million.

Consequent to the above factors, the Group's cash and cash equivalents was $37.0 million as at 31 December 2017.

DIVIDEND

The Group's Board of Directors is pleased to recommend a final dividend of 0.42 cents per share and a special dividend of 0.50 cents per share in respect of FY2017 for approval by the shareholders at the Annual General Meeting ("AGM"). This will bring the full-year dividend for FY2017 to 1.62 cents per share against the 1.12 cents per ordinary share for FY2016. If approved at the AGM, the final dividend will be paid out on 18 May 2018.

BOARD OF **DIRECTORS**

MR NARAYANAN SREENIVASAN @ N SREENIVASAN
Non-Executive and Independent Chairman

Mr Narayanan Sreenivasan @ N Sreenivasan was appointed as Non-Executive Chairman of the Group on 14 October 2009. He is the Managing Director of Straits Law Practice LLC and has 31 years of experience in government and private legal practice. He is also an Independent Director of FSL Trust Management Pte. Ltd. He graduated with a LLB (Hons) from the National University of Singapore in July 1985. He is an Advocate and Solicitor of the Supreme Court of the Republic of Singapore and is also a Fellow of the Singapore Institute of Arbitrators and a Fellow of the Chartered Institute of Arbitrators. Mr Sreenivasan has an active litigation practice and was appointed as Senior Counsel in January 2013. He is a director of the Law Society Pro Bono Services and the Singapore Business Federation Foundation. Mr Sreenivasan has previously been the Honorary Secretary of the Singapore Indian Development Association and a Council Member and Treasurer of the Law Society.

DR NG CHIN SIAU
Group Chief Executive Officer

Dr Ng Chin Siau is the Group's founder and Group CEO. He was appointed as an Executive Director of the Group on 7 January 2008. Dr Ng is responsible for the corporate direction of the Group. He leads the Group in all aspects of its business strategies, policy planning and business development in Singapore and overseas, especially in the PRC. From May 1992 to October 1994, he was a Dental Officer with the Ministry of Health. Subsequently in November 1994, he left to join a private dental clinic at Bukit Batok as an Associate Dental Surgeon until October 1996. In November 1996, he founded the Group and has charted its growth since then.

Dr Ng is a Council Member of the Singapore-Liaoning Economic and Trade Council, and Singapore-Shangdong Economic and Trade Council, a Patron of the Ang Mo Kio-Hougang's Citizen's Consultative Committee and a Committee Member of River Valley High School's School Advisory Committee. In 2016, Dr Ng was appointed as a member of the Guangzhou Singapore Business Council.

In June 1992, he graduated from the National University of Singapore with a Bachelor of Dental Surgery. Dr Ng also obtained a Certificate of Implantology from the University of Frankfurt in December 2003. He was also an elected member of the Singapore Dental Council from May 2006 to April 2009.

Dr Ng received the Best Entrepreneur Award in the discipline of Dentistry from the National University of Singapore's Business Incubation of Global Organisations in September 2007. In September 2009, he was named the "Top Entrepreneur" and winner of "The Entrepreneur of the Year Award ("EYA") for Enterprise" in the 2009 Rotary Club - ASME EYA. In December 2010, Dr Ng was conferred the "Ernst & Young Entrepreneur of The Year 2010 Award (Healthcare Services)". More recently in 2015, Dr Ng was named the "Best CEO of the Year for Companies with $300 million to $1 billion Market Capitalisation" at the Singapore Corporate Awards.

DR ANG EE PENG RAYMOND
Chief Operating Officer

Dr Ang Ee Peng Raymond is the Group COO. He was appointed as an Executive Director of the Group on 13 June 2008. Dr Ang's responsibilities include the Group's human resource function, information technology, procurement, marketing, ISO implementation and complaints handling. He is assisted by the Group's General Manager, Mdm Foo Siew Jiuan.

Dr Ang is a practicing dentist in the Group's dental clinics at Bukit Gombak and Bukit Panjang. Dr Ang joined the Group in April 2004. Prior to that, from July 1994 to 1996, Dr Ang served as a staff officer with the Singapore Armed Forces Medical Corps. From July 1996 to March 2004, Dr Ang was with the dental group practice, First Impressions Dental Surgery Pte Ltd.

He graduated from the National University of Singapore with a Bachelor of Dental Surgery in July 1994. He has been a Fellow of the Academy of Dentistry International since September 2009 and Fellow of the International College of Dentist since November 2010. Dr Ang is also an Advisor to the Singapore Dental Association Ethics Committee. Dr Ang has been an elected member of the SDC since May 2009. He is also the Chairman of the SDC Audit Committee, a member of the SDC's Complaints Panel and the SDC's Continuing Professional Education Committee. Dr Ang is a member of Nanyang Polytechnic School of Health Sciences Dental Therapy & Hygiene Advisory Panel. He is also member of the Singapore Medical Council's Complaints Panel. In 2012 Dr Ang was presented with the prestigious "Singapore Dental Association Meritorious Award" for his contributions to the dental profession in Singapore.

PROFESSOR TOH CHOOI GAIT
Non-Executive and Independent Director

Professor Toh Chooi Gait was appointed as an Independent Director of the Group on 25 June 2013. Currently, she is the Pro Vice Chancellor (Strategic Development and International) in International Medical University, Malaysia. She is the Chairman of the Examination Committee of the Malaysian Dental Council that is responsible for the development and implementation of the Professional Qualifying Examination for registration of Dental Practitioners. She has also served in various leading positions in the International Association for Dental Research and South East Asia Association for Dental Education.

Professor Toh has over 35 years of experience in dentistry and has co-authored books and published more than 60 articles on dentistry in various professional journals. She regularly conducts dental workshops and training for dentists in Malaysia and abroad. She has a Bachelor of Dental Surgery with Honors from the University of Singapore, Master of Science in Conservative Dentistry from University of London, Diploma in Restorative Dentistry from Royal College of Surgeons of Edinburgh, and is a Fellow in Dental Surgery with the Royal College of Physicians and Surgeons of Glasgow. She has also been conferred Honorary Fellowships by Academy of Dentistry International, International College of Dentists and Royal College of Surgeons of Edinburgh. She serves as an examiner for the Royal College of Surgeons of Edinburgh for the MFDS Part 2 Examination and the Diploma in Implant Dentistry Examination.

MR NG WENG SUI HARRY
Non-Executive and Independent Director

Mr Ng Weng Sui Harry was appointed as an Independent Director of the Group on 14 October 2009. He is currently the Executive Director of HLM (International) Corporate Services Pte. Ltd., a company that provides business consultancy and corporate services. Mr Ng is also an Independent Director and Chairman of the Audit Committee of Artivision Technologies Ltd., Oxley Holdings Limited, IEV Holdings Limited and HG Metal Manufacturing Limited, all of which are listed on the SGX-ST. From October 2008 to April 2010, he was the Chief Financial Officer and Executive Director of Achieva Limited (now known as SUTL Enterprise Limited), which is listed on the SGX-ST. Mr Ng has more than 30 years of experience in accountancy, audit and finance. He is a Fellow Member with the Institute of Singapore Chartered Accountants and a Fellow of the Association of Chartered Certified Accountants (UK). He obtained a Masters of Business Administration (General Business Administration) from The University of Hull, UK.

MR CHIK WAI CHIEW (ZHI WEICHAO)
Non-Executive and Non-Independent Director

Mr Chik Wai Chiew was appointed as a Non-Independent and Non-Executive Director of the Group on 14 August 2017. Currently, he is the Chief Executive Officer and the Executive Director of Heritas Capital Management Pte. Ltd., a Singapore based private equity and venture capital investment firm that makes investments in healthcare, technology and education sectors across Asia Pacific. He has over 20 years of experience in global investment management and strategic business development, having been active in leading various companies on transformational growth strategies, fund raising and mergers & acquisitions. Mr Chik was awarded the Glaxo-EDB scholarship and holds a BA in Economics from Cambridge University, UK and an MA from Yale University, USA. He has also completed EMBA (conducted in Mandarin) from Cheung Kong Graduate School of Business, the PRC.

EXECUTIVE **OFFICERS**

MDM FOO SIEW JIUAN
General Manager

Mdm Foo Siew Jiuan is the Group's General Manager and her current responsibilities include assisting the Group COO on the Group's daily operational matters, such as human resource, procurement, marketing and service recovery. From May 1993 to January 1997, she was a retail pharmacist and outlet manager at Guardian Pharmacy Singapore. From May 1998 to June 1999, she continued to work part-time as a pharmacist at St. Luke's Hospital in Singapore. She joined the Group in November 1996 on a part-time basis before working full time with the Group from July 1999. She graduated with a Bachelor of Science (Pharmacy) from the National University of Singapore in June 1992.

MR SIM YU XIONG
Chief Financial Officer

Mr Sim Yu Xiong is the Group's Chief Financial Officer. He is responsible for the Group's financial management, tax and investment, as well as assisting the Group CEO on merger and acquisition activities. Mr Sim has accumulated vast experiences in the areas of finance, audit and business management. Prior to joining the Group on 6 April 2010, he was the Chief Financial Officer of W.Atelier Pte. Ltd. from April 2008 to March 2010. From June 2007 to March 2008, he held the position of General Manager at Inke Pte. Ltd. Between June 2003 and June 2007, Mr Sim was the Group Financial Controller of Pacific Healthcare Holdings Ltd. In addition, he had also held various managerial positions previously as Finance Manager with Torie Holdings Pte Ltd from August 1997 to May 2003 and General Manager with Fullmark Pte. Ltd. from August 1986 to August 1997. From September 1980 to July 1986, Mr Sim was an auditor with Coopers & Lybrand, prior to its merger with Price Waterhouse in 1998. Mr Sim was appointed as the Non Executive Director of Aoxin Q & M Dental Group Limited in April 2017. Mr Sim is a Fellow Member with the Institute of Singapore Chartered Accountants and a Fellow of the Association of Chartered Certified Accountants (UK).

MDM NG SOOK HWA
Group Financial Controller

Mdm Ng Sook Hwa is the Group Financial Controller. Her current responsibilities include assisting the Group's Chief Financial Officer in finance and compliance matters. Prior to joining the Group in March 2002, Mdm Ng was a second year graduate assistant in KPMG, Singapore from October 2000 to February 2002. Mdm Ng graduated with a Bachelor of Commerce, Finance and Marketing (with distinction) from Curtin University of Technology, Australia in August 1998. She also obtained her Masters of Accounting from Curtin University of Technology, Australia in April 2000 and is a member of CPA Australia.

MR SAN YI LEONG
Business Development Director

Mr San Yi Leong is the Group's Business Development Director and his responsibilities include assisting the Group CEO on identifying group investment opportunities, merger and acquisitions and business development. He conducts market analysis and research, negotiates investment deals, corporate restructuring, pre-acquisition due diligence and post-acquisition integration as well as prepares business proposals for the Group.

Mr San began his career in 1999 as an Audit Assistant II with Ng, Lee and Associates – DFK, where he was subsequently promoted to Audit Assistant I in 2000, and then to Audit Senior in 2001. In 2003, he joined Oracle Petroleum Consultancy Pte Ltd, a company involved in petroleum and petrochemicals supply chain activities, as Assistant Finance Manager. Thereafter, in 2005, he joined the Group as its Business Development Manager. In 2011, Mr San was promoted to Business Development Director, a position he held until 2015. Concurrently, Mr San was also the General Manager of Q & M Medical Group, from 2013 to 2015. From 2015 to March 2017, Mr San was the Chief Financial Officer of Aoxin Q & M Dental Group Limited. In March 2017, Mr San transferred to the Group as its Business Development Director, and he was appointed as the Non Executive Director of Aoxin Q & M Dental Group Limited.

Mr San is a graduate of Curtin University of Technology (Bachelor of Commerce (Accounting and Finance) (1999)). Mr San is a member of the Institute of Singapore Chartered Accountants and a Certified Practising Accountant of Australia.

MR ANDREW YOUNG HAO PUI
Senior Legal Counsel

Mr Andrew Young Hao Pui is the Group's Senior Legal Counsel. He is responsible for legal, statutory and compliance matters of the Group, and also provides general legal advice on the day to day matters of the Group. He also supports the management in the Group's dealings with the SGX-ST, investing community and external professionals engaged by the Group. Prior to joining the Group in November 2013, he was an associate at Yeo-Leong & Peh LLC. Mr Young obtained his Bachelor of Laws from the University of Liverpool, United Kingdom and is also an accredited associate mediator with the Singapore Mediation Centre.

CORPORATE **INFORMATION**

BOARD OF DIRECTORS
Narayanan Sreenivasan @ N Sreenivasan (Non-Executive and Independent Chairman)
Dr Ng Chin Siau
(Group Chief Executive Officer)
Dr Ang Ee Peng Raymond
(Chief Operating Officer)
Professor Toh Chooi Gait
(Non-Executive and Independent Director)
Ng Weng Sui Harry
(Non-Executive and Independent Director)
Chik Wai Chiew
(Non-Executive and Non-Independent Director)

AUDIT COMMITTEE
Ng Weng Sui Harry (Chairman)
Narayanan Sreenivasan @ N Sreenivasan
Professor Toh Chooi Gait

REMUNERATION COMMITTEE
Professor Toh Chooi Gait (Chairperson)
Ng Weng Sui Harry
Narayanan Sreenivasan @ N Sreenivasan

NOMINATING COMMITTEE
Professor Toh Chooi Gait (Chairperson)
Ng Weng Sui Harry
Narayanan Sreenivasan @ N Sreenivasan

COMPANY SECRETARY
Toon Choi Fan
Selena Leong Siew Tee

REGISTERED OFFICE
81 Science Park Drive, #02-04
The Chadwick, Singapore
Science Park 1
Singapore 118257
www.QandMDental.com.sg

SHARE REGISTRAR
Tricor Barbinder Share
Registration Services
(A division of Tricor Singapore Pte Ltd)
80 Robinson Road, #02-00
Singapore 068898

AUDITORS
RSM Chio Lim LLP
8 Wilkie Road
#04-08 Wilkie Edge
Singapore 228095
Tay Hui Jun, Sabrina (Partner-in-charge)

THE Q & M EXTENDED FAMILY

FINANCIAL **CONTENTS**

REPORT ON **CORPORATE GOVERNANCE**

The Board of Directors of Q & M Dental Group (Singapore) Limited (the "**Company**" and together with its subsidiaries, the "**Group**") (the "**Board**" or "**Directors**") is committed to maintaining high standards of corporate governance and has adopted the principles of the Code of Corporate Governance 2012 (the "**Code**") to enhance transparency and accountability as well as to protect the interest of shareholders. The Board confirms that, for the financial year ended 31 December 2017 ("**FY2017**"), the Company has generally adhered to the principles and guidelines set out in the Code. Where there are deviations from the Code, appropriate explanations are provided.

The Company will continue to enhance its corporate governance practices appropriate to the conduct and growth of its business and to review such practices from time to time to ensure compliance with the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Mainboard Rules**").

BOARD MATTERS

The Board's Conduct of its Affairs

Principle 1 ***Every company should be headed by an effective Board to lead and control the company. The Board is collectively responsible for the long-term success of the company. The Board works with Management to achieve this objective and Management remains accountable to the Board.***

The Board is entrusted with the responsibility for the overall management of the Company. It establishes the corporate strategies of the Company as well as sets the direction and goals for the executive management. It supervises the executive management and monitors performance of these goals to enhance shareholders' value. The Board is also responsible for implementing and maintaining sound corporate governance practices for the Company.

The Board has established an internal framework to ensure that the type of material transactions that require the Board's approval is consistently applied throughout the Group. Matters requiring Board approval include:

(a) Overall Company's business and budget strategy;

(b) Capital expenditures, investments or divestments exceeding material limits;

(c) All capital-related matters including capital issuance;

(d) Significant policies governing the operations of the Company;

(e) Corporate strategic development and restructuring;

(f) Material acquisitions and disposals of assets;

(g) Material interested person transactions;

(h) Risk management strategies;

(i) Approval of quarterly, half yearly and year end result announcements and the release thereof; and

(j) Approval of the annual reports and accounts for presentation at annual general meeting ("**AGM**").

The Company's Constitution provides for Directors to participate in meetings of Directors by means of conference telephone, video conferencing, audio visual, or other similar communication equipment by means of which all persons participating in the meeting can hear and be heard by each other, without a Director being in the physical presence of the other Directors.

For each newly appointed Director, he/she will receive appropriate training including familiarisation with the Company's business, governance practices and relevant statutory and regulatory compliance issues to ensure that he/she has a proper understanding of the Company and is fully aware of his/her responsibilities and obligations of being a Director of a listed company. To get a better understanding of the Group's business, the Directors are given the opportunity to visit the Group's operational facilities and meet with the key management personnel. The Company will also provide each newly appointed Director with a formal letter of appointment setting out the Director's duties and responsibilities.

The Company is responsible for arranging and funding the training of Directors. Directors are updated with the latest professional developments in relation to the Mainboard Rules, accounting standards and other applicable regulatory updates or amendments to relevant laws, rules and regulations to ensure the compliance of the same by all Directors.

To facilitate effective management and to support the Board in discharging its duties and responsibilities efficiently and effectively, certain functions of the Board have been delegated to various Board committees, namely the Audit Committee (the "**AC**"), Nominating Committee (the "**NC**") and Remuneration Committee (the "**RC**") (collectively the "**Board Committees**"). The Board Committees function within clearly defined terms of references and operating procedures, which are reviewed on a regular basis.

The Board has scheduled to meet at least four (4) times a year and to coincide such meetings with the review and approval of the Group's results announcements. The Board meets on a regular basis as well as ad-hoc meetings, if warranted by circumstances deemed appropriate by the Board. At those meetings, the Board reviewed the Group's financial performance, annual budget, corporate strategy, business plans, potential acquisitions, risk management policies and significant operational matters. The number of Board and Board Committees meetings held during the financial year ended 31 December 2017 and the attendance of each Director, where relevant, are as follows:

	Board	Audit Committee	Nominating Committee	Remuneration Committee
No. of Meetings held / Name of Directors	5	4	2	1
Mr Narayanan Sreenivasan @ N Sreenivasan	5	4	2	1
Dr Ng Chin Siau	5	NA	NA	NA
Dr Ang Ee Peng Raymond	5	NA	NA	NA
Mr Ng Weng Sui Harry	5	4	2	1
Prof Toh Chooi Gait	5	4	2	1
Mr Chik Wai Chiew (Zhi Weichao)[1]	2	NA	NA	NA

NA: Not applicable

1. Mr Chik Wai Chiew (Zhi Weichao) appointed as Director of the Company on 14 August 2017.

The Board has sought to identify the key stakeholder groups and recognise that their perceptions affect the Company's reputation, including but not limited to the dentists and patients.

The Board has considered sustainability issues, such as environmental and social factors, as part of its strategic formulation of the Group.

Board Composition and Guidance

Principle 2 There should be a strong and independent element on the Board, which is able to exercise objective judgement on corporate affairs independently, in particular, from Management and 10% shareholders. No individual or small group of individuals should be allowed to dominate the Board's decision making.

The Board comprises of six (6) Directors of whom two (2) are Executive Directors; three (3) are Independent Non-Executive Directors and one (1) is Non-Independent Non-Executive Director, which have the appropriate mix of core competencies and diversity of experience to direct and lead the Company. There is a good balance between the executive and non-executive Directors, with a strong and independent element on the Board. As at the date of this report, the Board comprises the following members:

Mr Narayanan Sreenivasan @ N Sreenivasan	(Independent Non-Executive Chairman)
Dr Ng Chin Siau	(Executive Director and Group CEO)
Dr Ang Ee Peng Raymond	(Executive Director and Chief Operating Officer)
Mr Ng Weng Sui Harry	(Independent Non-Executive Director)
Prof Toh Chooi Gait	(Independent Non-Executive Director)
Mr Chik Wai Chiew (Zhi Weichao)	(Non-Independent Non-Executive Director)

The Board considers its current Board size appropriate for the facilitation of decision making, taking into account the nature and scope of operations of the Group. The Board comprises Directors of both gender with strong industry knowledge and diversified background such as legal and accounting, and who collectively bring with them a wide range of experience. The Board is also of the view that the Board comprises persons who as a group provide capabilities required for the Board to be effective. Members of the Board are regularly in touch with the management to provide advice and guidance on matters for which their expertise will be constructive to the Group.

The Non-Executive Directors exercise no management functions in the Company or any of its subsidiaries. Although all the Directors are equally responsible for the performance of the Group, the role of the Non-Executive Directors are important to ensure that the strategies proposed by the management are fully discussed and examined by taking into account the long-term interests of shareholders, employees, customers, suppliers and the various communities in which the Group conducts its business. To facilitate a more effective check on management, the Non-Executive Directors will, when necessary, meet in the absence of management to discuss concerns or matters such as overall Group business strategic and investments.

The Company has also adopted initiatives to ensure that the Directors are supported by accurate and timely information and have unrestricted access to the management. These initiatives include informal meetings for the management to brief the Directors on potential deals and strategies at an early stage and to circulate relevant information on various business initiatives.

Each of the Independent Directors has completed an independent director's declaration form and confirmed his/her independence. The independence of each Director has been and will be reviewed on an annual basis and as and when the circumstances require, by the NC, with reference to the guidelines as set out in the Code. Rigorous review will also be conducted by the NC when assessing the continued independence of a Director who has served for more than nine (9) years from the date of first appointment.

The NC has determined that the Independent Directors are independent in accordance with the Code. The Independent Non-Executive Directors, Mr Narayanan Sreenivasan @ N Sreenivasan, Mr Ng Weng Sui Harry and Prof Toh Chooi Gait have confirmed that they do not have any relationship with the Company, its related corporations, its 10% shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of their independent business judgement with a view to the best interests of the Company.

With the Independent Directors making up half of the Board, the NC is of the view that there is a strong and independent element on the Board. None of the Independent Directors has served on the Board beyond nine (9) years from the date of first appointment.

The profiles of the Directors are set out on pages 9 to 10 of this Annual Report.

Chairman and Chief Executive Officer

Principle 3 ***There should be a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Company's business. No one individual should represent a considerable concentration of power.***

There is a clear division of responsibilities between the Chairman and Group CEO, which ensures there is a balance of power and authority, such that no one individual represents a considerable concentration of power. Mr Narayanan Sreenivasan @ N Sreenivasan, the Independent Non-Executive Chairman, and Dr Ng Chin Siau, the Group CEO, are not related to each other.

The Group CEO is responsible for the business management and day-to-day operations of the Company. He takes a leading role in developing and expanding the businesses of the Group including making major business and finance decisions. He also oversees the execution of the Company's corporate and business strategy as set out by the Board and ensures that the Directors are kept updated and informed of the Company's businesses.

The Chairman leads the Board discussion and also ensures that Board meetings are convened when necessary. He sets the Board's meeting agenda and ensures that Directors are provided with complete, adequate and timely information. He chairs the Board meetings and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues, and promotes a culture of openness and debate at the Board. He also assists in ensuring compliance with the Group's guidelines on corporate governance. He encourages constructive relations within the Board and between the Board and the Management, and ensures effective communications between the Company and its shareholders.

The Board has not appointed a Lead Independent Director as the roles of the Chairman and CEO are distinctly separate; the Chairman is not part of executive management; the Board has a strong element of independence with 3 out of 6 Directors being independent; and the Board discussion are opened and frank. The Board will review the need for a Lead Independent Director as part of its continuous assessment of corporate governance best practices.

Board Membership

Principle 4 ***There should be a formal and transparent process for the appointment and re-appointment of directors to the Board.***

All NC members are Independent Non-Executive Directors, all of whom are independent of the Management. The NC comprises the following members:

Prof Toh Chooi Gait	(Chairperson)
Mr Narayanan Sreenivasan @ N Sreenivasan	(Member)
Mr Ng Weng Sui Harry	(Member)

The NC meets at least once a year. The principle functions of the NC under its term of reference include, but are not limited to, the following:

(a) recommending to the Board on all board appointments, including re-nominations of existing Directors for re-election in accordance with the Constitution of the Company, having regard to the Director's contribution and performance;

(b) determining on an annual basis whether or not a Director is independent;

(c) deciding whether the Director is able to and has been adequately carrying out his/her duties particularly when he/she has multiple board representations;

(d) implementing a process for evaluation and assessing the performance of the Board and contribution of each Director to the effectiveness of the Board;

(e) reviewing and approving any new employment of related persons and their proposed terms of employment;

(f) reviewing and recommending to the Board succession plans for Directors, in particular, the Chairman and the Group CEO; and

(h) the review of training and professional development programs for the Board.

The NC reviews the need for appointment of additional director(s) from time to time and has in place policies and procedures for the selection, appointment and re-appointment of Directors to the Board, including a search and nomination process. The NC will seek to identify the competence required for the Board to fulfil its responsibilities. The NC can also engage recruitment consultants or engage other independent experts to undertake research on, or assess candidates for new positions on the Board. New Directors are appointed by way of Director's resolution, after the NC has reviewed and nominated them by taking into consideration the qualification and experience of each candidate. The Constitution of the Company has stated clearly the procedures for the appointment of new Directors, re-election and removal of Directors.

In accordance with the Company's Constitution, one-third (1/3) of the Directors (excluding the CEO or any Director who is acting in the same capacity as the CEO), or if their number is not three or a multiple of three, then the number nearest one-third are required to retire by rotation and shall be eligible for re-election at every AGM of the Company. Further, all Directors are required to retire from office at least once every three (3) years and such Directors will be eligible for re-election at the meeting at which he retires. Director(s) appointed by the Board during the financial year, shall only hold office until the next AGM and thereafter be eligible for re-election at that AGM.

The Board has accepted NC's recommendation to seek shareholders' approval to re-elect Mr Narayanan Sreenivasan @ N Sreenivasan and Mr Chik Wai Chiew (Zhi Weichao), at the forthcoming AGM.

In making the above recommendation, the NC has considered the respective Director's overall performance and contributions. Mr Narayanan Sreenivasan @ N Sreenivasan and Mr Chik Wai Chiew (Zhi Weichao) had each abstained from the NC's deliberation in respect of their performance assessment and re-nomination as a Director of the Company.

Mr Narayanan Sreenivasan @ N Sreenivasan will, upon re-election as Director of the Company, remain as the Independent Chairman of the Board, member of AC, NC and RC. Mr Narayanan Sreenivasan @ N Sreenivasan will be considered independent for the purpose of Rule 704(8) of the Mainboards Rules. He has no relationships including immediate family relationship with other Directors, the Company or its 10% shareholders.

Mr Chik Wai Chiew (Zhi Weichao) will, upon re-election as Director of the Company, remain as a Non-Independent Non-Executive Director.

The Company does not have any Alternate Directors currently. Alternate Directors may be appointed as and when the Board deems necessary.

The NC reviews and determines annually whether Directors who have multiple board representations and other principal commitments, give sufficient time and attention to the affairs of the Company and adequately carry out his/her duties as a Director of the Company. The NC takes into account the results of the assessment of the effectiveness of the individual Director and his/her actual conduct on the Board, in making this determination.

For FY2017, the NC was satisfied that, where a Director had other listed company board representations and/or other principal commitments, the Director was able to carry out and had been adequately carrying out, his/her duties as a Director of the Company. As the time requirement of each Director are subjective, the NC has decided not to fix a maximum limit on the number of directorships a Director can hold. The NC considers that the multiple board representations held presently by its Directors do not impede their respective performance in carrying out their duties for the Company.

Key information regarding the Directors, including their present and past three (3) years' directorship(s) in other listed companies and other principal commitments are set out below:

Director	Position	Date of initial appointment	Date of last re-election / re-appointment	Current directorships in other listed companies	Directorships in other listed companies over the past three years	Principal commitments
Dr Ng Chin Siau	Non-Independent Executive Director and Group CEO	7 January 2008	NA	NIL	NIL	NIL
Dr Ang Ee Peng Raymond	Non-Independent Executive Director and Chief Operating Officer	13 June 2008	25 April 2016	NIL	NIL	NIL
Mr Narayanan Sreenivasan @ N Sreenivasan	Independent Non-Executive Chairman	14 October 2009	28 April 2015	NIL	NIL	- Managing Director at Straits Law Practice LLC
Mr Ng Weng Sui Harry	Independent Non-Executive Director	14 October 2009	25 April 2016	- Artivision Technologies Ltd - Oxley Holdings Limited - IEV Holdings Limited - HG Metal Manufacturing Limited	NIL	- Executive Director at HLM (International) Corporate Services Pte Ltd
Prof Toh Chooi Gait	Independent Non-Executive Director	25 June 2013	27 April 2017	NIL	NIL	- Foundation Dean and Professor of International Medical University, Malaysia
Mr Chik Wai Chiew (Zhi Weichao)[1.]	Non -Independent Non-Executive Director	14 August 2017	NA	NIL	NIL	- Executive Director and Chief Executive Officer at Heritas Capital Management Pte. Ltd.

NA: Not applicable

1. Mr Chik Wai Chiew (Zhi Weichao) appointed as Director of the Company on 14 August 2017.

Board Performance

Principle 5 ***There should be a formal annual assessment of the effectiveness of the Board as a whole and its board committees and the contribution by each director to the effectiveness of the Board.***

The Board has established processes including taking into consideration the attendance record at the meetings of the Board and the Board Committees for monitoring and evaluating the performance of the Board as a whole and effectiveness and contribution of individual Directors. The Board and individual Directors can direct more effort in those areas for achieving better performance of the Board and better effectiveness of individual Directors.

The NC examines the Board's and the Board Committees' performances covering areas that include the size and composition of the Board, the Board's access to information, Board processes and accountability annually. The NC review and evaluate the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole.

For the evaluation process, the Directors will complete a board evaluation questionnaire which seeks to assess the effectiveness of the Board and the Board Committees. The results are then collated by the Company Secretary who will submit to the Chairman of the NC in the form of a report. The report will be discussed during the NC meeting with a view to implementing recommendations to further enhance the effectiveness of the Board and/or the Board Committees.

The contribution of each individual Director to the effectiveness of the Board is assessed individually and reviewed by the NC Chairman. The performance of the Directors is evaluated using agreed criteria, aligned as far as possible with appropriate corporate objectives. The assessment criteria include, *inter alia*, Director's attendance, commitment of time, candour, participation, knowledge and abilities, teamwork and overall contributions.

The NC would review the aforementioned criteria on periodic basis to ensure that the criteria is able to provide an accurate and effective performance assessment taking into consideration industry standards and the economic climate with the objective to enhance long term shareholders value, thereafter propose amendments if any, to the Board for approval. There has been no change in assessment criteria for FY2017 as the assessment criteria for FY2016 was considered adequate for the aforementioned assessment.

The NC, having reviewed the overall performance of the Board in terms of its role and responsibilities and the conduct of its affairs as a whole, and the individual Director's performance, is of the view that the performance of the Board, the Board Committees and each individual Director has been satisfactory in FY2017. The NC will review the appropriateness of the Board size, taking into consideration changes in the nature of the Group's businesses, the scope of operations, as well as changing regulatory requirements from time to time. In consultation with the NC, the Chairman will act on the results of the performance evaluation, propose for new members to be appointed to the Board or seek the resignation of Directors, where appropriate.

Access to Information

Principle 6 ***In order to fulfil their responsibilities, directors should be provided with complete, adequate and timely information prior to board meetings and on an on-going basis so as to enable them to make informed decisions to discharge their duties and responsibilities.***

The Directors have separate and independent access to the Management and the Company Secretary at all times. Requests for information from the Board are dealt with promptly by the Management. The Board is informed of all material events and transactions as and when they occur so as to enable them to make informed decisions to discharge their duties and responsibilities. The Management provides the Board with quarterly reports of the Company's performance. The Management also consults with Board members regularly whenever necessary and/or appropriate. The Board is issued with board papers in a timely fashion prior to Board meetings.

The Company Secretary or her representative, attends and prepares minutes of all Board and Board Committees meetings. The Company Secretary assists the Chairman in ensuring that Board procedures are followed and regularly reviewed so that the Board functions effectively and the Company's Constitution and the relevant rules and regulations applicable to the Company are complied with. The role of the Company Secretary, the appointment and removal of whom is a matter for the Board as a whole.

The Board in fulfilling its responsibilities, can as a group or individually, when deemed fit, direct the Company to appoint professional advisers to render professional advice at the Company's expense.

REMUNERATION MATTERS

Principle 7 ***There should be a formal and transparent procedure for developing policy on executive remuneration and for fixing the remuneration packages of individual directors. No director should be involved in deciding his own remuneration.***

All RC members are Independent Non-Executive Directors. The RC comprises the following members:

Prof Toh Chooi Gait	(Chairperson)
Mr Narayanan Sreenivasan @ N Sreenivasan	(Member)
Mr Ng Weng Sui Harry	(Member)

The RC meets at least once a year. The principle functions of the RC under its term of reference include, but are not limited to, the following:

(a) to recommend to the Board a framework of remuneration for the Board and key management personnel, determine specific remuneration packages for each Executive Director and submit such recommendations for endorsement by the entire Board covering all aspects of remuneration, including but not limited to director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind;

(b) to perform annual review of the remuneration of employees related to the Directors and substantial shareholders to ensure that their remuneration packages are in line with the Company's staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities which include review and approve any bonuses, pay increases and/or promotions for these employees;

(c) to review and recommend to the Board the terms of renewal for those Executive Directors whose current employment contracts will expire or have expired;

(d) to recommend the remuneration of Non-Executive Directors appropriate for the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Directors; and

(e) to consider the various disclosure requirements for Director's and senior management's remuneration, particularly those required by regulatory bodies such as the SGX-ST, and ensure that there is adequate disclosure in the financial statements to ensure and enhance transparency between the Company and relevant interested parties.

In discharging its duties, the RC will review and make recommendations on the specific remuneration packages for the Directors and key management personnel. The recommendations of the RC will be submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to Directors' fees, salaries, allowances, bonuses, share-based incentives and awards, and benefits in kind, will be covered by the RC.

Where applicable, the RC will also review annually the remuneration of employees related to the Directors and substantial shareholders to ensure that their remuneration packages are in line with the staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities.

Each member of the RC shall abstain from voting on any resolutions or making any recommendations and/or participating in the deliberations of the RC in respect of his/her remuneration package.

The RC may from time to time, and where required, seek advice from external consultants in framing the remuneration policy and determining the level and mix of remuneration for Directors and key management personnel. If external consultants are appointed, the RC will ensure that existing relationships, if any, between the Company and its appointed consultants will not affect the independence and objectivity of the consultants. The expense of such services shall be borne by the Company.

Level and Mix of Remuneration

Principle 8 ***The level and structure of remuneration should be aligned with the long-term interest and risk policies of the company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the company, and (b) key management personnel to successfully manage the company. However, companies should avoid paying more than is necessary for this purpose.***

In recommending the level and mix of remuneration, the RC seeks to build, motivate and retain Directors and key management personnel. It ensures that competitive remuneration policies and practices are in place to draw and motivate high-performance executives so as to drive the Group's businesses to greater growth, efficiency and profitability.

The RC seeks to ensure that the level and mix of remuneration of Executive Directors and key management personnel is competitive, relevant and appropriate in linking awards with performance and that the amount and mix of compensation is aligned with the interests of shareholders and promotes the long-term success of the Group.

The remuneration of the Executive Directors, namely the Group CEO, and Chief Operating Officer are set out in their one (1) year service agreements with automatic renewal annually on such terms and conditions as the parties may agree commencing from 1 April 2011 (unless otherwise terminated by either party giving not less than six (6) months' notice to the other), and consists mainly of salary. In accordance with the said service agreement, each of them is entitled to receive a variable bonus at such rates or on such terms as may be determined and approved by the RC of the Company.

In setting remuneration packages, the RC will take into consideration the pay and employment conditions within the industry and comparable companies and the broad guidelines recommended by the Singapore Institute of Directors. The remuneration of Non-Executive Directors will also be reviewed to ensure that the remuneration commensurate with the contribution and responsibilities of the Non-Executive Directors.

The Director's fee for each of the Executive Director shall be agreed or determined by the RC of the Company.

The Company will submit the quantum of Directors' fees to the shareholders for approval at the AGM annually.

Disclosure on Remuneration

Principle 9 ***Every company should provide clear disclosure of its remuneration policies, level and mix of remuneration, and the procedure for setting remuneration, in the company's Annual Report. It should provide disclosure in relation to its remuneration policies to enable investors to understand the link between remuneration paid to directors and key management personnel, and performance.***

A breakdown showing the level and mix of each individual Director's remuneration payable for FY2017 is as follows:

	Remuneration Band		Salary	Bonus	Benefits [1]	Professional Fees [2]	Directors' Fees [+]	Total
Name	Below $250,000	$250,000 to $500,000	%	%	%	%	%	%
Mr Narayanan Sreenivasan @ N Sreenivasan	√		0.0	0.0	0.0	0.0	100	100
Mr Ng Weng Sui Harry	√		0.0	0.0	0.0	0.0	100	100
Prof Toh Chooi Gait	√		0.0	0.0	0.0	0.0	100	100
Dr Ng Chin Siau		√	76	18	6	0	0	100
Dr Ang Ee Peng Raymond	√		65	19	7	9	0	100
Mr Chik Wai Chiew (Zhi Weichao)	-	-	-	-	-	-	-	-

[+] The Directors' Fees are subject to approval by shareholders at the forthcoming AGM

Remuneration Band of key executives is set out below:

	Remuneration Band		Salary	Bonus	Benefits [1]	Total
Name	Below $250,000	$250,000 to $500,000	%	%	%	%
Mr Sim Yu Xiong		√	81	15	4	100
Mr San Yi Leong [3]	√		75	18	7	100
Dr Cheah Kim Fee [4]	√		92	0	8	100
Mr Andrew Yong Hao Pui	√		70	20	10	100

Remuneration Band of key executives who are immediate family members of Dr Ng Chin Siau, the Group CEO and Executive Director of the company is set out as follows:

	Remuneration Band	Salary	Bonus	Benefits [1]	Total
Name	Below $250,000	%	%	%	%
Ms Foo Siew Jiuan [3]	√	77	16	7	100
Ms Ng Sook Hwa [3]	√	77	16	7	100

1. Benefits refer to mainly employer's contribution to the Central Provident Fund.
2. Professional fees refer to fees received as a practising dentist from certain wholly-owned subsidiaries of the Company.
3. Key executives who are related to the Group CEO and Executive Director, Dr Ng Chin Siau.
   (i) Ms Foo Siew Jiuan is the wife of Dr Ng Chin Siau.
   (ii) Ms Ng Sook Hwa is the sister of Dr Ng Chin Siau.
   (iii) Mr San Yi Leong is the brother-in-law of Dr Ng Chin Siau and husband of Ms Ng Sook Hwa.
4. Dr Cheah Kim Fee resigned as CEO (China) on 12 October 2017.

The total remuneration paid to the top five key management personnel was S$996,000 for FY2017.

The remuneration of the Company's top five key management personnel takes into account the pay and employment conditions within the industry and is performance-related.

The Company is of the opinion that it is not in the best interest of the Company to disclose the exact details of remuneration of the Directors and key management personnel due to the competitiveness of the industry for key talent.

All Directors and the key management personnel are remunerated on an earned basis and there was no termination, retirement and post-employment benefits granted during FY2017.

Save as disclosed, there are no employees who are immediate family members of a Director or the Group CEO, and whose remuneration exceeds S$50,000 during the year.

The Board has sought to link the quantum of salary to the current market for the Executive Directors and key management personnel taking into consideration their respective roles and responsibilities. Bonuses are paid based on the individual performances and the performance of the Company as a whole. The Board has not granted any options pursuant to Q & M Employee Share Option Scheme nor long term incentive scheme for the current year.

Accountability and Audit

Principle 10 The Board should present a balanced and understandable assessment of the company's performance, position and prospects.

The Board is accountable to the shareholders and is mindful of its obligations to furnish timely information that present a balanced and understandable assessment of the Company's performance, position and prospects and to ensure full disclosure of material information to shareholders in compliance with statutory requirements and the Mainboard Rules.

Price sensitive information will be publicly released either before the Company meets with any group of investors or analysts or simultaneously with such meetings. Financial results and annual reports will be announced or issued within the legally prescribed periods.

The Management provides the Board with updates covering operational performance, financial results, marketing and business development and other relevant information on a regular basis as the Board may require from time to time, enabling the Board to make a balanced and informed assessment of the Company's performance, position and prospect.

Risk Management and Internal Controls

Principle 11 The Board is responsible for the governance of risk. The Board should ensure that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the company's assets, and should determine the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

It is the opinion of the Board that, in the absence of evidence to the contrary, the system of internal controls maintained by the Management that was in place throughout the financial year and up to the date of this report provides reasonable, but not absolute, assurance against material financial misstatements or losses, and includes the safeguarding of assets, the maintenance of proper accounting records, the reliability of financial information, compliance with appropriate legislation, regulations and best practices, and the identification and containment of financial, operational and compliance risks.

The Board notes that all internal control systems contain inherent limitations and no system of internal controls could provide absolute assurance against the occurrence of material errors, poor judgment in decision making, human error losses, fraud or other irregularities.

The Company has appointed an independent third party, Nexia TS Risk Advisory Pte Ltd ("**Nexia TS**" or "**IA**") to perform internal audit reviews and to highlight all significant matters to the Management and the AC. Based on the work performed by the IA, the Board has determined the Company's levels of risk tolerance and risk policies, and overseen the Management in the design, implementation and monitoring of the risk management and internal control systems.

The Board has also received assurance from the Group CEO and the CFO that the financial records have been properly maintained, the financial statements give a true and fair view of the Company's operations and finances, and the Company's risk management and internal control systems are effective.

Based on the report of the IA and internal controls established and maintained by the Group, actions taken by the Management, assurances from the Group CEO and CFO as well as reviews performed by the internal auditors and external auditors, the Board, with the concurrence of the AC, is of the opinion that the Group's risk management and internal control systems are adequate and effective in addressing the financial, operational, compliance and information technology risk of the Group for FY2017.

The Company prohibits its officers from dealing in the Company's shares on short term considerations. They are required to observe insider trading provisions under the Securities and Future Act at all times even when dealing in the Company's securities in the permitted periods.

Audit Committee

Principle 12 The Board should establish an Audit Committee with written terms of reference which clearly set out its authority and duties.

The role of the AC is to assist the Board with regard to the discharge of its responsibility to safeguard the Company's assets, maintain adequate accounting records, develop and maintain effective systems of internal controls with an overall objective to ensure that the Management has created and maintained an effective control environment in the Company, and that the Management demonstrates and stimulates the necessary aspect of the Company's internal control structure among all parties.

All AC members are Independent Non-Executive Directors. The AC comprises the following members:

Mr Ng Weng Sui Harry	(Chairman)
Mr Narayanan Sreenivasan @ N Sreenivasan	(Member)
Prof Toh Chooi Gait	(Member)

The Board is of the view that the AC Chairman and members are appropriately qualified, with the necessary accounting, financial advisory, business management, corporate and finance, investment and corporate legal expertise and experience to discharge the AC's functions. The AC Chairman, a Fellow Member with the Institute of Singapore Chartered Accountants and a Fellow of the Association of Chartered Certified Accounts (UK), having more than 30 years of experience in accountancy, audit and finance, is well qualified to chair the AC.

The AC meets at least quarterly to discuss and review the following where applicable:

(a) review with the external and internal auditors, the audit plan, their evaluation of the system of internal controls, their audit report, their management letter and the Management's response;

(b) review the quarterly, half yearly and annual financial statements and results announcements before submission to the Board for approval, focusing in particular on changes in accounting policies and practices, major risk areas, significant adjustments resulting from the audit, compliance with accounting standards and the Mainboard Rules and any other relevant statutory or regulatory requirements;

(c) review the internal control procedures and ensure co-ordination between the external auditors and the Management, and review the assistance given by the Management to the auditors, and discuss problems and concerns, if any, arising from audits, and any matters which the auditors may wish to discuss (in the absence of the Management, where necessary);

(d) review and discuss with external and internal auditors, any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Company's operating results or financial position, and the Management's response;

(e) consider and recommend the appointment or re-appointment of the external auditors and matters relating to the resignation or dismissal of the external auditors;

(f) review transaction falling within the scope of Chapter 9 of the Mainboard Rules;

(g) review any potential conflict of interests;

(h) undertake such other reviews and projects as may be requested by the Board, and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;

(i) review the Company's key financial risk areas, with a view to providing an independent oversight on the Company's financial reporting. The outcome of these reviews will be disclosed in the annual report of the Company or where the findings are material, immediately announced via SGXNet;

(j) generally to undertake such other functions and duties as may be required by statute or the Mainboard Rules, or by such amendments as may be made thereto from time to time;

(k) review the Rule 716 of the Mainboard Rules that if different auditors are appointed for its subsidiaries or significant associated companies, the AC must be satisfied that the appointment would not compromise the standard of effectiveness of the audit;

(l) review the significant financial reporting issues and judgement so as to ensure the integrity of the financial statements of the Company and any formal announcement relating to the Company's financial performance;

(m) review the scope and results of the audit, its cost effectiveness, the independence and objectivity of the external auditors annually. Where the auditors also supply a substantial volume of non-audit services to the Company, the nature and extent of such services should be reviewed in order to balance the maintenance of objectivity and value for money;

(n) ensure that the internal auditor's primary line of reporting should be to the Chairman of the AC although he would also report administratively to the Group CEO. The internal auditor should meet or exceed the standards set by nationally or internationally recognised professional bodies including the Standards for the Professional Practice set by The Institute of Internal Auditors;

(o) review and report to the Board annually on the effectiveness and adequacy of the Group's risk management and internal controls systems in addressing the financial, operational, compliance and information technology risk;

(p) investigate any matter within its terms of reference, having full access to and co-operation from the Management and full discretion to invite any Executive Director or Executive Officer to attend its meetings, and reasonable resources to enable it to discharge its functions properly; and

(q) provide an avenue for employees to raise concerns and reassurance that they will be protected from reprisals or victimization for whistle blowing in good faith, a whistle blowing reporting policy has been established by the Company for its employees.

The AC has the power to conduct or authorise investigations into any matters within the AC's scope of responsibility. The AC is authorised to obtain independent professional advice, if it deems necessary, in the discharge of its responsibilities. Such expenses are to be borne by the Company.

The AC also meets with the internal and external auditors without the presence of the management at least once a year to ascertain if there are any material weaknesses or control deficiencies in the Group's financial and operational systems.

The AC, having reviewed the range and value of non-audit services performed by the external auditors, RSM Chio Lim LLP, was satisfied that the nature and extent of such services has not prejudiced the independence and objectivity of external auditors. Therefore, the AC recommends the re-appointment of RSM Chio Lim LLP as external auditors at the forthcoming AGM. There is no disagreement between the Board and AC regarding the selection, appointment, resignation or dismissal of external auditors. During the financial year under review, the Company has incurred an aggregate $377,000 payable to the external auditors for its audit services, and has incurred an aggregate of $136,000 payable to the external auditors for its other non-audit professional services. The Company confirms that it has complied with Rules 712 and 715 of the Mainboard Rules in engaging RSM Chio Lim LLP, registered with the Accounting and Corporate Regulatory Authority, Singapore, as the external auditors of the Company and local subsidiaries. The Company also confirmed that it has complied with Rule 716 of the Mainboard Rules in engaging different auditing firms for its foreign subsidiaries.

The Company has put in place a whistle-blowing policy to provide a channel for employees to report in good faith and in confidence, without fear of reprisals, concerns about possible improprieties in financial reporting or other matters. The objective for such an arrangement is to ensure independent investigation of such matters and for appropriate follow-up action. All complaints or information would be forwarded to the Chairman of AC or Senior Legal Counsel of the Company.

The AC has full access to and co-operation from the Management and has full discretion to invite any Executive Director or Executive Officer to attend its meetings, and has been given reasonable resources to enable it to discharge its functions.

None of the AC members were previous partners or directors of the existing external auditing firm and none of the AC members hold any financial interest in the external auditing firm.

INTERNAL AUDIT

Principle 13 The Company should establish an effective internal audit function that is adequately resourced and independent of the activities it audits.

The Company's internal audit function is outsourced to Nexia TS that reports directly to the AC Chairman and administratively to the Group CEO. The Board is of the view that the outsourcing of the internal audit function had deliver enhanced independence as well as improve the quality of the audit as the IA is adequately qualified and equipped with a broad range of expertise with advanced degrees and technological specialisation to discharge its duties effectively.

The Board recognises that it is responsible for maintaining robust internal controls to safeguard shareholders' investment and the Company's business and assets. The AC approves the hiring, removal, evaluation and compensation of the internal auditor and reviews and approves the internal audit's plan during the AC meeting for each financial year. The AC also ensures that the internal auditor have unfettered access to all the Company's documents, records, properties and personnel including access to the AC.

The primary functions of internal audit are to:

(a) assess if adequate systems of internal controls are in place to protect the funds and assets of the Company and to ensure control procedures are complied with;

(b) conduct regular in-depth audits of high-risk areas; and

(c) identify and recommend improvement to internal control procedures, where required.

The AC has reviewed the report submitted by Nexia TS on internal procedures and the internal controls in place, and is satisfied that there are adequate internal controls in the Company. The AC will review on an annual basis the adequacy and effectiveness of the internal audit function.

The AC is also of the view that the outsourced internal audit function is adequately resourced, has appropriate standing within the Company and is staffed with persons with the relevant qualifications and experience, and adheres to professional standards including those promulgated by the relevant local or international recognised professional bodies.

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Principle 14 ***Companies should treat all shareholders fairly and equitably, and should recognise, protect and facilitate the exercise of shareholders' rights, and continually review and update such governance arrangements.***

The Company is committed to making timely and accurate announcements of all material information to the shareholders that would be likely to materially affect the value of the Company's shares.

Any notice of general meeting is issued at least 14 clear days before the scheduled date of such meeting. All shareholders can vote in person or to appoint up to two (2) proxies during his/her absence to attend, speak and vote in general meeting in compliance with Companies Act, Chapter 50 of Singapore. There is no provision in the Company's Constitution that limits the number of proxies for nominee companies.

The Company ensures that shareholders have the opportunity to participate effectively in and vote at general meetings of shareholders. The Chairman briefs the shareholders on the rules, including voting procedures, that govern general meetings of shareholders and addresses any queries that they may have on the procedures.

Communication with Shareholders

Principle 15 ***Companies should actively engage their shareholders and put in place an investor relations policy to promote regular, effective and fair communication with shareholders.***

The Company does not practise selective disclosure. In line with the continuous obligations of the Company pursuant to the Mainboard Rules, the Board's policy is that all shareholders should be equally informed of all major developments impacting the Company.

Information is disseminated to shareholders on a timely basis through:

- Announcements and news releases on SGXNet.
- Annual report and circulars prepared and issued to all shareholders.
- Notices of shareholders' meetings are published in the local newspapers and announced via SGXNet.

Regular briefings are also organised for media and analysts to ensure a better appreciation of the Company's performance and developments. To enhance and encourage communication with shareholders and investors, the Company provides the contact information (email address and phone number) of the staff handling its investor relations. The Board has taken to solicit and understand the views of the shareholders through analyst briefings and investor roadshows conducted by the Management.

The Company's corporate website at www.QandMDental.com.sg also provides updated information to investors on its latest financial results and corporate developments.

The Company does not have a policy on the payment of dividend, however it has been declaring dividends at half-year and final year-end intervals. Any dividend pay outs are clearly communicated to shareholders in public announcements and via announcements on SGXNet when the Company discloses its financial results.

In considering the form, frequency and amount of dividends that the Board may recommend or declare in respect of any particular year or period, the Board takes into account various factors including but not limited to the financial performance, cash flow requirements, availability of distributable reserves and tax credits, future operating conditions as well as expansion, capital expenditure and investment plans of the Group.

Conduct of Shareholder Meetings

Principle 16 ***Companies should encourage greater shareholder participation at general meetings of shareholders, and allow shareholders the opportunity to communicate their views on various matters affecting the company.***

The Company's general meetings (AGM and/or extraordinary general meeting ("**EGM**") where applicable), are the principal forums for dialogue with shareholders. The Chairman of the AC, RC and NC as well as the Board will be present and available at the Company's AGMs and EGMs to address questions from shareholders. The external auditors will also be present to address shareholders' queries about the conduct of the audit and the preparation and content of the auditors' report.

Shareholders are encouraged to attend the AGM and EGM to ensure a high level of accountability and to stay apprised of the Company's strategy and goals. Shareholders are given the opportunity to raise questions and clarify any issues that they may have relating to the resolutions to be passed. Notice of the general meetings will be advertised in newspapers and announced on SGXNet.

The Company's Constitution allow a shareholder entitled to attend and vote to appoint not more than two (2) proxies who need not be a shareholder of the Company, to attend and vote at the meetings. The Company ensures that there are separate resolutions at general meetings on each distinct issue. All resolutions are put to vote by poll in the presence of independent scrutineers, and the voting results will be announced via SGXNet after the conclusion of the general meeting.

The proceeding of the general meeting will be properly recorded, including all substantial and relevant comments or queries from shareholders relating to the agenda of the meeting, and responses from the Board and the Management. All minutes of general meetings will be opened for inspection by shareholders upon their request.

DEALING IN SECURITIES
Rule 1207(19) of the Mainboard Rules

In line with Rule 1207(19) of the Mainboard Rules on Dealings in Securities, the Company issues a quarterly letter to its Directors, executive officers and employees with non-published price sensitive information prohibiting dealings in listed securities of the Company from two (2) weeks or one (1) month, as the case may be, before the announcement of the Company's quarterly and annual financial results and ending on the date of the announcement of the relevant results.

The Directors and employees are expected to observe the insider trading laws at all times even when dealing in the Company's securities within permitted trading period.

RISK MANAGEMENT
Rule 1207(4)(b)(iv) of the Mainboard Rules

The Company regularly reviews and improves its business and operational activities to identify areas of significant business risks as well as take appropriate measures to control and mitigate these risks. The Company reviews all significant control policies and procedures and highlights all significant matters to the AC and Board.

MATERIAL CONTRACTS
Rule 1207(8) of the Mainboard Rules

There were no material contracts entered into by the Company or any of its subsidiaries involving the interest of the Group CEO, any Director, or controlling shareholder subsisting at the end of financial year ended 31 December 2017.

INTERESTED PERSON TRANSACTIONS
Rule 907 of the Mainboard Rules

The Company has established procedures to ensure that all transactions with interested persons are reported in a timely manner to the AC and that the transactions are conducted on an arm's length basis and are not prejudicial to the interests of the shareholders.

Particulars of the interested person transactions for the financial year ended 31 December 2017, disclosed in accordance with Rule 907 of the Listing Manual of the SGX-ST were set out below.

Name of Interested Person	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Mainboard Rules)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 of the Mainboard Rules (excluding transactions less than $100,000)
Nil		

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Company has been supporting various organisations on a regular basis. In FY2017, the Company has, amongst others, made donations to HKUSU Dental Society, NUS Faculty of Dentistry and sponsored children oral hygiene kits for certain mission trips to Vietnam and Nepal. Most notably, the Company has collaborated with Smile Asia, a global alliance of independent charities working together, on a joint campaign to help children with facial deformities such as cleft palate and cleft lip.

STATEMENT BY **DIRECTORS**

The directors of the Company are pleased to present the accompanying financial statements of the Company and of the Group for the reporting year ended 31 December 2017.

1. Opinion of the directors

In the opinion of the directors,

(a) the accompanying financial statements and the consolidated financial statements are drawn up so as to give a true and fair view of the financial position and performance of the Company and, of the financial position and performance of the Group for the reporting year covered by the financial statements or consolidated financial statements; and

(b) at the date of the statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The board of directors approved and authorised these financial statements for issue.

2. Directors

The directors of the Company in office at the date of this statement are:

Dr Ng Chin Siau
Dr Ang Ee Peng Raymond
Mr Narayanan Sreenivasan @ N Sreenivasan
Mr Ng Weng Sui Harry
Prof Toh Chooi Gait
Mr Chik Wai Chiew (Zhi Weichao) (Appointed on 14 August 2017)

3. Directors' interests in shares and debentures

The directors of the Company holding office at the end of the reporting year were not interested in shares or debentures of the Company or other related body corporate as recorded in the register of directors' shareholdings kept by the Company under section 164 of the Companies Act, Chapter 50 ("the Act") except as follows:

	Direct Interest		Deemed Interest	
Name of directors and companies in which interests are held	At beginning of the reporting year	At end of the reporting year	At beginning of the reporting year	At end of the reporting year
The Company – Q & M Dental Group (Singapore) Limited	Number of shares of no par value			
Dr Ng Chin Siau	11,240,110	11,240,110	382,957,545	385,280,045
Mr Narayanan Sreenivasan @ N Sreenivasan	290,000	290,000	–	–
Mr Ng Weng Sui Harry	240,000	240,000	–	–

3. Directors' interests in shares and debentures (cont'd)

Name of directors and companies in which interests are held	Direct Interest: At beginning of the reporting year	Direct Interest: At end of the reporting year	Deemed Interest: At beginning of the reporting year	Deemed Interest: At end of the reporting year
The Company – Q & M Dental Group (Singapore) Limited	Principle amount of debentures held			
Dr Ang Ee Peng Raymond	250,000	250,000	–	–
Ultimate parent company – Quan Min Holdings Pte. Ltd.	Number of shares of no par value			
Dr Ng Chin Siau	178,551,814	178,551,814	–	–
Dr Ang Ee Peng Raymond	10,552,502	10,552,502	–	–

By virtue of section 7 of the Act, Dr Ng Chin Siau is also deemed to have an interest in the Company and all the related body corporate of the Company.

The directors' interests as at 21 January 2018 were the same as those at the end of the reporting year except as follows:

Name of directors and companies in which interests are held	Direct Interest: At end of the reporting year	Direct Interest: As at 21 January 2018	Deemed Interest: At end of the reporting year	Deemed Interest: As at 21 January 2018
The Company – Q & M Dental Group (Singapore) Limited	Number of shares of no par value			
Dr Ng Chin Siau	11,240,110	11,240,110	385,280,045	385,438,045

4. Arrangements to enable directors to acquire benefits by means of the acquisition of shares and debentures

Neither at the end of the reporting year nor at any time during the reporting year did there subsist any arrangement to which the Company is a party, being arrangements whose object are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate.

STATEMENT BY **DIRECTORS**

5. Options

Share options

The Company has adopted an employee share option scheme known as the "Q & M Employee Share Option Scheme" (the "Scheme") on 26 April 2011. The Scheme, which forms an integral component of its compensation plan, is designed to reward and retain eligible participants whose services are important to its continued well being and success. It provides eligible participants who have contributed to the growth and performance of the Group with an opportunity to participate and also motivate these participants to greater dedication, loyalty and higher standards of performance and to give recognition to past contributions and services.

Under the rules of the Scheme, the directors and employees of the Group are eligible to participate in the Scheme. Controlling shareholders or their associates are also eligible to participate in the Scheme subject to the approval of independent shareholders in the form of separate resolutions for each participant. Further, independent shareholders' approval is also required in the form of separate resolutions for each grant of options and the terms thereof, to each participant who is a controlling shareholder or his associate.

The total number of shares over which options may be granted shall not exceed 15% of the issued share capital (excluding Treasury Shares) of the Company on the date immediately preceeding the Date of Grant.

A Scheme Committee is charged with the administration of the Scheme in accordance with the rules of the Scheme. The Committee comprising all the members of the Remuneration Committee of the Company from time to time, and duly authorised and appointed by the board of directors. The number of shares comprised in options offered to a participant shall be determined at the absolute discretion of the Committee who shall take into account, where applicable, criteria such as rank, past performance, years of service, potential contribution of the participant provided that: (a) the aggregate number of shares which may be offered to participants who are controlling shareholders and their associates during the entire operation of the Scheme (including adjustments under the rules) shall not exceed 25% of the shares available under the Scheme; and (b) the number of shares which may be offered to each participant who is a controlling shareholder or his associate during the entire operation of the Scheme shall not exceed 10% of the shares available under the Scheme.

(a) Exercise Price

The exercise price for each share in respect of which an option is exercisable shall be determined by the Committee at its absolute discretion, on the date of grant, at:-

(i) the market price; or

(ii) a price which is set at a discount to the market price (incentive price), the quantum of such discount to be determined by the Committee in its absolute discretion, provided that the maximum discount which may be given in respect of any option shall not exceed 20% of the market price.

5. Options (cont'd)

Share options (cont'd)

(b) Exercise Period

Unless otherwise determined in the sole discretion of the Committee, options granted shall be exercised in the following manner:-

(i) in the case of market price options granted to a participant:- (i) one-third (1/3) of such options granted shall only vest and be exercisable by an option holder after the first anniversary of the date of grant of that option; (ii) the next one-third (1/3) of such options granted shall only vest and be exercisable by an option holder after the second anniversary of the date of grant of that option; and (iii) the remaining one-third (1/3) of such options granted shall only vest and be exercisable by an option holder after the third anniversary of the date of grant of that option, provided always that all the options shall be exercised before the second anniversary of the relevant date of vesting, or such earlier date as may be determined by the Committee, failing which all unexercised options shall immediately lapse and become null and void and an option holder shall have no claim against the Company; and

(ii) in the case of incentive options granted to a participant:- (i) one-third (1/3) of such options granted shall only vest and be exercisable by an option holder after the second anniversary of the date of grant of that option; (ii) the next one-third (1/3) of such options granted shall only vest and be exercisable by an option holder after the third anniversary of the date of grant of that option; and (iii) the remaining one-third (1/3) of such options granted shall only vest and be exercisable by an option holder after the fourth anniversary of the date of grant of that option, provided always that all the options shall be exercised before the second anniversary of the relevant date of vesting, or such earlier date as may be determined by the Committee, failing which all unexercised options shall immediately lapse and become null and void and an option holder shall have no claim against the Company.

Market price options may only be exercised after the first anniversary of the date of grant of such options. Incentive options may only be exercised after the second anniversary of the date of grant of such options. There are special provisions dealing with the lapsing or permitting the earlier exercise of options under certain circumstances including termination, bankruptcy, and death of the participant.

During the reporting year, no option to take up unissued shares of the Company or other body corporate in the Group was granted.

During the reporting year, there were no shares issued by virtue of the exercise of an option to take up unissued shares.

At the end of the reporting year, there were no unissued shares under option.

6. Independent auditor

RSM Chio Lim LLP has expressed willingness to accept re-appointment.

7. Report of audit committee

The members of the audit committee at the date of this report are as follows:

Ng Weng Sui Harry (Chairman)	(Non-Executive and Independent Director)
Narayanan Sreenivasan @ N Sreenivasan	(Non-Executive and Independent Director)
Professor Toh Chooi Gait	(Non-Executive and Independent Director)

The audit committee performs the functions specified by section 201B(5) of the Act. Among other functions, it performed the following:

- Reviewed with the independent external auditor their audit plan.
- Reviewed with the independent external auditor their evaluation of the Company's internal accounting controls relevant to their statutory audit, and their report on the financial statements and the assistance given by the management to them.
- Reviewed with the internal auditor the scope and results of the internal audit procedures (including those relating to financial, operational and compliance controls and risk management) and the assistance given by management to the internal auditor.
- Reviewed the financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption.
- Reviewed the interested person transactions (as defined in Chapter 9 of the Singapore Exchange Securities Trading Limited's Listing Manual).

Other functions performed by the audit committee are described in the report on corporate governance included in the annual report of the Company. It also includes an explanation of how independent auditor's objectivity and independence is safeguarded where the independent auditor provide non-audit services.

The audit committee has recommended to the board of directors that the independent auditor, RSM Chio Lim LLP, be nominated for re-appointment as independent auditor at the next annual general meeting of the Company.

8. Directors' opinion on the adequacy of internal controls

Based on the internal controls established and maintained by the Company, work performed by the internal and external auditors, and reviews performed by management, other committees of the board and the board, the audit committee and the board are of the opinion that the Company's internal controls, addressing financial, operational and compliance risks, are adequate as at the end of the reporting year 31 December 2017.

STATEMENT BY **DIRECTORS**

9. Subsequent developments

There are no significant developments subsequent to the release of the Group's and the Company's preliminary financial statements, as announced on 27 February 2018, which would materially affect the Group's and the company's operating and financial performance as of the date of this report.

On behalf of the directors

....	....
Dr Ng Chin Siau	Dr Ang Ee Peng Raymond
Director	Director

29 March 2018

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Q & M Dental Group (Singapore) Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 December 2017, and the consolidated statement of profit or loss and other comprehensive income, statement of changes in equity and consolidated statement of cash flows of the Group, and statement of changes in equity of the Company for the reporting year then ended, and notes to the financial statements, including accounting policies.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the Act) and the Financial Reporting Standards in Singapore (FRSs) so as to give a true and fair view of the consolidated financial position of the Group and financial position of the Company as at 31 December 2017 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and the changes in equity of the Company for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current reporting year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Assessment of impairment of goodwill

Please refer to Note 2A "Goodwill", "Impairment of non-financial assets", and Note 2C "Assessment of impairment of goodwill" for relevant accounting policies and discussion of significant accounting estimates, and Note 16 "Intangible assets" for the key assumptions used in impairment testing of goodwill.

The Group had goodwill of approximately $51.5 million which arose from the acquisition of subsidiaries. The amounts are allocated to certain cash generating units ("CGUs") as at 31 December 2017. These CGUs are assessed for impairment annually. Management applies the value-in-use method to determine the recoverable amount of goodwill. The value-in-use calculation requires the Group to estimate the future cash flows arising from the CGU and a suitable discount rate in order to calculate present value of the recoverable amount of each CGUs. Any shortfall of the recoverable amounts against the carrying amounts would be recognised as impairment losses.

Key audit matters (cont'd)

(a) Assessment of impairment of goodwill (cont'd)

Management determined the recoverable amounts based on the forecasted revenue, growth rates, profit margins, tax rates and discount rates using presently available information. These estimates require judgement and the determination of the recoverable amounts is a key focus area for our audit.

We discussed with management the process over the determination of the forecasted revenues, growth rates, profit margins, tax rates and discount rates. As the assessment process is judgmental and is based on assumptions that are affected by expected future market or economic conditions, our audit procedures included, among others, using our in-house valuation specialists to assist us in evaluating the assumptions and methodologies used by the management.

We assessed management's estimates applied in the value-in-use models based on our knowledge of the CGUs' operations, and compared them against historical forecasts and performance and industry benchmarks. Our in-house valuation specialists also performed a review of the management's methodology, expectations and the discount rate used in the impairment assessment and tested the accuracy of the computations.

We also assessed the adequacy of the Group's disclosures about those assumptions to which the outcome of the impairment test is most sensitive, that is, those that have the most significant effect on the determination of the recoverable amount of goodwill.

(b) Deconsolidation of Aoxin Q & M Dental Group Limited ("Aoxin Q & M") as subsidiary and fair value of remaining shareholding in Aoxin Q & M as investment in associate

Please refer to Note 1 "Basis of presentation", Note 2A "Subsidiaries", "Associates" and Note 2C "Deconsolidation of Aoxin Q & M Dental Group Limited ("Aoxin Q & M") as subsidiary and fair value of remaining shareholding in Aoxin Q & M as investment in associate" for relevant accounting policies and discussion of significant accounting estimates, and Note 15 "Investment for associates" for the key assumptions used in the valuation of investment in associate.

For the factors that occurred as disclosed in Note 2C, management reassessed whether the Group continued to control Aoxin Q & M. Management reviewed its rights and power over the investment in Aoxin Q & M and concluded that it has lost control over Aoxin Q & M on 26 April 2017. Refer to Note 2C for more information. Accordingly, the Group has deconsolidated Aoxin Q & M on 26 April 2017 and has remeasured its remaining shareholding of 45.94% in Aoxin Q & M at fair value at inception of the transaction.

Management determined the issue price of Aoxin Q & M's shares for the listing on the Catalist Board to be a reasonable estimate of the fair value of the investment in Aoxin Q & M. The interest of 45.94% in Aoxin Q & M is fair valued at $32,692,000 on 26 April 2017 and accordingly, a gain on disposal of subsidiary of $17,102,000 was recorded for the year ended 31 December 2017.

We reviewed management's process for assessing whether the Group lost its control over Aoxin Q & M and the basis of estimating the fair value of the investment in associate.

We evaluated the adequacy of the disclosures included in Note 15 to the financial statements.

Other information

Management is responsible for the other information. The other information comprises the information included in the statement by directors and annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Auditor's responsibilities for the audit of the financial statements (cont'd)

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Tay Hui Jun, Sabrina.

RSM Chio Lim LLP
Public Accountants and
Chartered Accountants
Singapore

29 March 2018
Partner-in-charge of audit: effective from year ended 31 December 2016

CONSOLIDATED STATEMENT OF **PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

YEAR ENDED 31 DECEMBER 2017

	Notes	Group 2017 $'000	Group 2016 $'000
Revenue	5	123,492	154,937
Interest income		173	366
Other gains	9	18,009	23,070
Consumables, dental supplies and dental supplies manufacturing used		(15,497)	(28,723)
Employee benefits expense	6	(69,759)	(74,581)
Depreciation and amortisation expense		(3,254)	(4,457)
Rental expense	31	(12,798)	(12,694)
Finance costs	7	(3,243)	(3,404)
Other expenses	8	(9,405)	(12,791)
Other losses	9	(7,256)	(6,199)
Share of profit from equity-accounted associates		3,950	–
Profit before tax from continuing operations		24,412	35,524
Income tax expense	10	(739)	(2,204)
Profit from continuing operations, net of tax		23,673	33,320
Other comprehensive income:			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operation, net of tax		(334)	(1,278)
Other comprehensive loss for the year, net of tax		(334)	(1,278)
Total comprehensive income for the year		23,339	32,042
Profit attributable to owners of the parent, net of tax		23,869	28,301
(Loss) Profit attributable to non-controlling interests, net of tax		(196)	5,019
Profit net of tax		23,673	33,320
Total comprehensive income attributable to owners of the parent		23,595	27,418
Total comprehensive (loss) income attributable to non-controlling interests		(256)	4,624
Total comprehensive income		23,339	32,042
Earnings per share			
Earnings per share currency unit		Cents	Cents
Basic – continuing operations	11	3.00	3.56
Diluted – continuing operations	11	3.00	3.56

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF **FINANCIAL POSITION**
AS AT 31 DECEMBER 2017

	Notes	Group 2017 $'000	Group 2016 $'000	Company 2017 $'000	Company 2016 $'000
ASSETS					
Non-current assets					
Property, plant and equipment	13	20,329	27,381	343	379
Investment in subsidiaries	14	–	–	77,857	85,638
Investment in associates	15	74,281	39,812	32,692	–
Intangible assets	16	53,453	75,548	–	–
Other receivables	19	1,438	289	1,356	200
Other assets	20	8,225	6,371	161	76
Total non-current assets		157,726	149,401	112,409	86,293
Current assets					
Inventories	18	6,468	7,614	–	–
Trade and other receivables	19	15,600	23,925	51,785	72,953
Asset held for sale under FRS 105	17	–	1,584	–	–
Other assets	20	3,197	3,206	770	832
Cash and cash equivalents	21	37,040	44,091	10,458	10,077
Total current assets		62,305	80,420	63,013	83,862
Total assets		220,031	229,821	175,422	170,155
EQUITY AND LIABILITIES					
Equity attributable to owners of the parent					
Share capital	22	86,758	86,758	86,758	86,758
Treasury shares	22	(6,835)	(5,795)	(6,835)	(5,795)
Retained earnings		34,591	35,074	11,567	7,034
Other reserves	23	(1,605)	(1,354)	–	–
Equity attributable to owners of the parent		112,909	114,683	91,490	87,997
Non-controlling interests		958	7,360	–	–
Total equity		113,867	122,043	91,490	87,997
Non-current liabilities					
Provisions	24	643	615	–	–
Deferred tax liabilities	10	1,120	1,402	–	–
Other financial liabilities	26	26,389	69,269	15,000	59,620
Total non-current liabilities		28,152	71,286	15,000	59,620
Current liabilities					
Trade and other payables	25	17,540	20,982	8,982	7,538
Other financial liabilities	26	60,472	15,510	59,950	15,000
Total current liabilities		78,012	36,492	68,932	22,538
Total liabilities		106,164	107,778	83,932	82,158
Total equity and liabilities		220,031	229,821	175,422	170,155

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF **CHANGES IN EQUITY**

YEAR ENDED 31 DECEMBER 2017

Group:	Total equity $'000	Attributable to parent sub-total $'000	Share capital $'000	Retained earnings $'000	Treasury shares $'000	Other reserves $'000	Non-controlling interests $'000
Current year:							
Opening balance at 1 January 2017	122,043	114,683	86,758	35,074	(5,795)	(1,354)	7,360
Changes in equity:							
Total comprehensive income for the year	23,339	23,595	–	23,869	–	(274)	(256)
Increase in non-controlling interest without a change in control	–	(10,111)	–	(13,201)	–	3,090	10,111
Decrease in non-controlling interest without a change in control	–	2,091	–	–	–	2,091	(2,091)
Deconsolidation of subsidiary (Note 28)	(19,324)	(5,158)	–	–	–	(5,158)	(14,166)
Share buy back (Note 22)	(1,461)	(1,461)	–	–	(1,461)	–	–
Issue of share capital (Note 22)	421	421	–	–	421	–	–
Dividends paid (Note 12)	(11,151)	(11,151)	–	(11,151)	–	–	–
Closing balance at 31 December 2017	113,867	112,909	86,758	34,591	(6,835)	(1,605)	958
Previous year:							
Opening balance at 1 January 2016	108,208	92,124	80,089	13,464	(727)	(702)	16,084
Changes in equity:							
Total comprehensive income for the year	32,042	27,418	–	28,301	–	(883)	4,624
Increase in non-controlling interest without a change in control	5,102	2,051	–	–	–	2,051	3,051
Deconsolidation of subsidiary (Note 28)	(20,284)	(1,820)	–	–	–	(1,820)	(18,464)
Acquisition of subsidiaries (Note 27)	658	–	–	–	–	–	658
Share issue expenses (Note 22)	(201)	(201)	(201)	–	–	–	–
Share buy back (Note 22)	(5,068)	(5,068)	–	–	(5,068)	–	–
Issue of share capital (Note 22)	6,870	6,870	6,870	–	–	–	–
Dividends paid (Note 12)	(6,691)	(6,691)	–	(6,691)	–	–	–
Dividends paid to non-controlling interests	(1,603)	–	–	–	–	–	(1,603)
Capital contribution by non-controlling interests	3,010	–	–	–	–	–	3,010
Closing balance at 31 December 2016	122,043	114,683	86,758	35,074	(5,795)	(1,354)	7,360

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF **CHANGES IN EQUITY**
YEAR ENDED 31 DECEMBER 2017

Company:	Total equity $'000	Share capital $'000	Treasury shares $'000	Retained earnings $'000
Current year:				
Opening balance at 1 January 2017	87,997	86,758	(5,795)	7,034
Changes in equity:				
Total comprehensive income for the year	15,684	–	–	15,684
Issue of share capital (Note 22)	421	–	421	–
Share buy back (Note 22)	(1,461)	–	(1,461)	–
Dividends paid (Note 12)	(11,151)	–	–	(11,151)
Closing balance at 31 December 2017	91,490	86,758	(6,835)	11,567
Previous year:				
Opening balance at 1 January 2016	80,292	80,089	(727)	930
Changes in equity:				
Total comprehensive income for the year	12,795	–	–	12,795
Issue of share capital (Note 22)	6,870	6,870	–	–
Share issue expenses (Note 22)	(201)	(201)	–	–
Share buy back (Note 22)	(5,068)	–	(5,068)	–
Dividends paid (Note 12)	(6,691)	–	–	(6,691)
Closing balance at 31 December 2016	87,997	86,758	(5,795)	7,034

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

YEAR ENDED 31 DECEMBER 2017

	Group	
	2017	2016
	$'000	$'000
Cash flows from operating activities		
Profit before tax	24,412	35,524
Adjustments for:		
Interest income	(173)	(366)
Interest expense	3,243	3,404
Depreciation of plant and equipment and amortisation expenses	3,254	4,457
Gain on disposal of plant and equipment, net	(13)	(8)
Gain on disposal of subsidiaries	(17,392)	(21,327)
Impairment of plant and equipment	167	–
Provision for impairment on goodwill and intangible assets	1,611	4,142
Provision for impairment on asset held for sale	1,584	–
Foreign currency translation reserve	349	(806)
Provisions	76	57
Plant and equipment written off	100	802
Share of profit from equity – accounted associates	(3,950)	–
Development cost expensed off	–	138
Operating cash flows before changes in working capital	13,268	26,017
Inventories	(577)	(4,709)
Trade and other receivables	431	1,068
Other assets	293	(1,352)
Trade and other payables	2,806	680
Net cash flows from operations	16,221	21,704
Income taxes paid	(507)	(2,811)
Net cash flows from operating activities	15,714	18,893
Cash flows used in investing activities		
Purchase of property, plant and equipment	(4,862)	(7,092)
Deconsolidation of subsidiary (Net of cash disposed) (Note 28)	(8,281)	(6,643)
Development cost (Note 16B)	–	(1,156)
Disposal of plant and equipment	564	1,167
Trade and other receivables	182	538
Other assets	52	77
Disposal of subsidiary (Net of cash disposal) (Note 29)	242	–
Proceeds from issuance of redeemable preference shares	5,358	–
Proceeds from disposal of interest in associate (Note 15)	1,941	–
Other receivables, non-current	(1,149)	(54)
Acquisition of subsidiaries (Note 27)	(383)	(8,897)
Acquisition of remaining interest in subsidiaries of Aoxin Q & M before the spin off	(1,250)	–
Interest received	173	366
Net cash flows used in investing activities	(7,413)	(21,694)

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF **CASH FLOWS**

YEAR ENDED 31 DECEMBER 2017

	Group	
	2017	2016
	$'000	$'000
Cash flows used in financing activities		
Contribution by non-controlling interest	1,157	3,010
Dividends paid to equity owners	(11,151)	(6,691)
Share issue expenses	–	(201)
Share buy back (Note 22)	(1,461)	(5,184)
Dividend paid to non-controlling interest	–	(1,603)
Bank loans	–	10,000
Bill payables	13	(52)
Finance lease repayments	(11)	(96)
Repayment of bank loans	(205)	(9,891)
Net movement in amount due to directors of subsidiaries	–	(506)
Net movement in amount due to shareholders/vendors of subsidiaries	(451)	(3,366)
Interest paid	(3,243)	(3,404)
Net cash flows used in financing activities	(15,352)	(17,984)
Net decrease in cash and cash equivalents in continuing operations	(7,051)	(20,785)
Cash and cash equivalents, statement of cash flows, beginning balance of the year	44,091	64,876
Cash and cash equivalents, statement of cash flows, ending balance of the year (Note 21)	37,040	44,091

The accompanying notes form an integral part of these financial statements.

1. General

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the Company (referred to as "parent") and the subsidiaries.

The board of directors approved and authorised these financial statements for issue on the date of the statement of directors.

The principal activities of the Company are the provision of management and consultancy services and investment holding. It is listed on the Singapore Exchange Securities Trading Limited, ("SGX-ST").

The principal activities of the subsidiaries are described in the Note 14 to the financial statements.

The registered office is: 81, Science Park Drive, #02-04 The Chadwick Singapore 118257. The Company is situated in Singapore.

Accounting convention

The financial statements have been prepared in accordance with the Financial Reporting Standards in Singapore ("FRSs") and the related Interpretations to FRS ("INT FRS") as issued by the Singapore Accounting Standards Council and the Companies Act, Chapter 50. The financial statements are prepared on a going concern basis under the historical cost convention except where FRSs require an alternative treatment (such as fair values) as disclosed where appropriate in these financial statements. The accounting policies in FRSs may not be applied when the effect of applying them is not material. The disclosures required by FRSs need not be provided if the information resulting from that disclosure is not material. Other comprehensive income comprises items of income and expense (including reclassification adjustments) that are not recognised in profit or loss, as required or permitted by FRSs.

Basis of preparation of the financial statements

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. Actual results could differ from those estimates. The estimates and assumptions are reviewed on an ongoing basis. Apart from those involving estimations, management has made judgements in the process of applying the entity's accounting policies. The areas requiring management's most difficult, subjective or complex judgements, or areas where assumptions and estimates are significant to the financial statements, are disclosed at the end of this footnote, where applicable.

Basis of presentation

The consolidated financial statements include the financial statements made up to the end of the reporting year of the Company and all of its subsidiaries. The consolidated financial statements are the financial statements of the Group in which the assets, liabilities, equity, income, expenses and cash flows of the parent and its subsidiaries are presented as those of a single economic entity and are prepared using uniform accounting policies for like transactions and other events in similar circumstances. All significant intragroup balances and transactions, including income, expenses and cash flows are eliminated on consolidation. Subsidiaries are consolidated from the date the reporting entity obtains control of the investee and cease when the reporting entity loses control of the investee. Control exists when the Group has the power to govern the financial and operating policies so as to gain benefits from its activities.

1. General (cont'd)

Basis of presentation (cont'd)

Changes in the Group's ownership interest in a subsidiary that do not result in the loss of control are accounted for within equity as transactions with owners in their capacity as owners. The carrying amounts of the Group's and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. When the Group loses control of a subsidiary it derecognises the assets and liabilities and related equity components of the former subsidiary. Any gain or loss is recognised in profit or loss. Any investment retained in the former subsidiary is measured at its fair value at the date when control is lost and is subsequently accounted as available-for-sale financial assets in accordance with FRS 39.

The Company's separate financial statements have been prepared on the same basis, and as permitted by the Companies Act, Chapter 50, the Company's separate statement of profit or loss and other comprehensive income is not presented.

The equity accounting method is used for associates in the Group's financial statements.

2. Significant accounting policies and other explanatory information

2A. Significant accounting policies

Revenue recognition

The revenue amount is the fair value of the consideration received or receivable from the gross inflow of economic benefits during the reporting year arising from the course of the activities of the entity and it is shown net of any related sales taxes and rebates. Revenue from rendering of services is recognised when the services are performed. Revenue from the sale of goods is recognised when significant risks and rewards of ownership are transferred to the buyer, there is neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold, and the amount of revenue and the costs incurred or to be incurred in respect of the transaction can be measured reliably. Rental revenue is recognised on a time-proportion basis that takes into account the effective yield on the asset on a straight-line basis over the lease term. Interest income is recognised using the effective interest method. Dividend from equity instruments is recognised as income when the entity's right to receive dividend is established.

Government grants

A government grant is recognised at fair value when there is reasonable assurance that the conditions attaching to it will be complied with and that the grant will be received. Grants in recognition of specific expenses are recognised as income over the periods necessary to match them with the related costs that they are intended to compensate, on a systematic basis. A grant related to depreciable assets is allocated to income over the period in which such assets are used in the project subsidised by the grant. A government grant related to assets, including non-monetary grants at fair value, is presented in the statement of financial position by setting up the grant as deferred income. The interest saved from government loans is regarded as additional government grant.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Employee benefits

Contributions to a defined contribution retirement benefit plans are recorded as an expense as they fall due. The entity's legal or constructive obligation is limited to the amount that it is obligated to contribute to an independently administered fund (such as the Central Provident Fund in Singapore, a government managed retirement benefit plan). For employee leave entitlement the expected cost of short-term employee benefits in the form of compensated absences is recognised in the case of accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences; and in the case of non-accumulating compensated absences, when the absences occur. A liability for bonuses is recognised where the entity is contractually obliged or where there is constructive obligation based on past practice. Sign-on bonuses are expensed over the duration of the employee's service agreement.

Pursuant to relevant regulations of the People's Republic of China ("PRC") government, the subsidiaries in the PRC have participated in a local municipal government retirement benefits scheme (the "Scheme"), whereby the subsidiaries in the PRC are required to contribute to a certain percentage to the basic salaries of its employees to the Scheme to fund their retirement benefits. The local municipal government undertakes to assume the retirement benefits obligations of those employees of the Group.

Share-based compensation

Benefits to employees are also provided in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (''equity-settled transactions''). The fair value of the employee services rendered is measured by reference to the fair value of the shares awarded or rights granted, excluding the impact of any non-market vesting conditions. These are fair valued based on the market price of the entity's shares (or an estimated market price, if the entity's shares are not publicly traded). This fair value amount is charged to profit or loss over the vesting period of the share-based payment scheme, with the corresponding increase in equity. The value of the charge is adjusted in profit or loss over the remainder of the vesting period to reflect expected and actual quantities vesting, with the corresponding adjustment made in equity. Cancellations of grants of equity instruments during the vesting period (other than a grant cancelled by forfeiture when the vesting conditions are not satisfied) are accounted for as an acceleration of vesting, therefore any amount unrecognised that would otherwise have been charged is recognised immediately in profit or loss.

Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowings and are recognised as an expense in the period in which they are incurred. Interest expense is calculated using the effective interest rate method.

Foreign currency transactions

The functional currency is the Singapore dollar as it reflects the primary economic environment in which the entity operates. Transactions in foreign currencies are recorded in the functional currency at the rates ruling at the dates of the transactions. At each end of the reporting year, recorded monetary balances and balances measured at fair value that are denominated in non-functional currencies are reported at the rates ruling at the end of the reporting year and fair value measurement dates respectively. All realised and unrealised exchange adjustment gains and losses are dealt with in profit or loss except when recognised in other comprehensive income and if applicable deferred in equity such as for qualifying cash flow hedges. The presentation is in the functional currency.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Translation of financial statements of other entities

Each entity in the Group determines the appropriate functional currency as it reflects the primary economic environment in which the relevant reporting entity operates. In translating the financial statements of such an entity for incorporation in the consolidated financial statements in the presentation currency the assets and liabilities denominated in other currencies are translated at end of the reporting year rates of exchange and the income and expense items for each statement presenting profit or loss and other comprehensive income are translated at average rates of exchange for the reporting year. The resulting translation adjustments (if any) are recognised in other comprehensive income and accumulated in a separate component of equity until the disposal of that relevant reporting entity.

Segment reporting

The reporting entity discloses financial and descriptive information about its consolidated reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. Operating segments are components about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. Generally, financial information is reported on the same basis as is used internally for evaluating operating segment performance and deciding how to allocate resources to operating segments.

Income tax

The income taxes are accounted using the asset and liability method that requires the recognition of taxes payable or refundable for the current year and deferred tax liabilities and assets for the future tax consequence of events that have been recognised in the financial statements or tax returns. The measurements of current and deferred tax liabilities and assets are based on provisions of the enacted or substantially enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. Tax expense (tax income) is the aggregate amount included in the determination of profit or loss for the reporting year in respect of current tax and deferred tax. Current and deferred income taxes are recognised as income or as an expense in profit or loss unless the tax relates to items that are recognised in the same or a different period outside profit or loss. For such items recognised outside profit or loss the current tax and deferred tax are recognised (a) in other comprehensive income if the tax is related to an item recognised in other comprehensive income and (b) directly in equity if the tax is related to an item recognised directly in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same income tax authority. The carrying amount of deferred tax assets is reviewed at each end of the reporting year and is reduced, if necessary, by the amount of any tax benefits that, based on available evidence, are not expected to be realised. A deferred tax amount is recognised for all temporary differences, unless the deferred tax amount arises from the initial recognition of an asset or liability in a transaction which (i) is not a business combination; and (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). A deferred tax liability or asset is recognised for all taxable temporary differences associated with investments in subsidiaries and associates except where the reporting entity is able to control the timing of the reversal of the taxable temporary difference and it is probable that the taxable temporary difference will not reverse in the foreseeable future or for deductible temporary differences, they will not reverse in the foreseeable future and they cannot be utilised against taxable profits.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Property, plant and equipment

Property, plant and equipment are carried at cost on initial recognition and after initial recognition at cost less any accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a straight-line basis to allocate the gross carrying amounts of the assets less their residual values over their estimated useful lives of each part of an item of these assets. The annual rates of depreciation are as follows:

Leasehold improvements	–	9.5% - 15%
Furniture and fittings and equipment	–	9.5% - 40%
Leasehold property	–	Over the terms of lease that is 1.25% - 9.5%
Motor vehicle	–	9.5% - 25%

An asset is depreciated when it is available for use until it is derecognised even if during that period the item is idle. Fully depreciated assets still in use are retained in the financial statements.

The gain or loss arising from the derecognition of an item of property, plant and equipment is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the item and is recognised in profit or loss. The residual value and the useful life of an asset is reviewed at least at end of each reporting year and, if expectations differ significantly from previous estimates, the changes are accounted for as a change in an accounting estimate, and the depreciation charge for the current and future periods are adjusted.

Cost also includes acquisition cost, borrowing cost capitalised and any cost directly attributable to bringing the asset or component to the location and condition necessary for it to be capable of operating in the manner intended by management. Subsequent costs are recognised as an asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repairs and maintenance are charged to profit or loss when they are incurred.

Cost includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period. See Note 24 on non-current provisions.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Leases

Leases are classified as finance leases if substantially all the risks and rewards of ownership are transferred to the lessee. All other leases are classified as operating leases. At the commencement of the lease term, a finance lease is recognised as an asset and as a liability in the statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each measured at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine, the lessee's incremental borrowing rate is used. Any initial direct costs of the lessee are added to the amount recognised as an asset. The excess of the lease payments over the recorded lease liability are treated as finance charges which are allocated to each reporting year during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent rents are charged as expenses in the reporting years in which they are incurred. The assets are depreciated as owned depreciable assets. Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased assets are classified as operating leases. For operating leases, lease payments are recognised as an expense in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense. Rental income from operating leases is recognised in profit or loss on a straight-line basis over the term of the relevant lease unless another systematic basis is representative of the time pattern of the user's benefit, even if the payments are not on that basis. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

Intangible assets

An identifiable non-monetary asset without physical substance is recognised as an intangible asset at acquisition cost if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. After initial recognition, an intangible asset with finite useful life is carried at cost less any accumulated amortisation and any accumulated impairment losses. An intangible asset with an indefinite useful life is not amortised. An intangible asset is regarded as having an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the entity.

The amortisable amount of an intangible asset with finite useful life is allocated on a systematic basis over the best estimate of its useful life from the point at which the asset is ready for use. The useful life is as follows:

Customer lists	2 - 10 years
Development costs	5 years

Development costs are typically internally generated intangible assets. Costs incurred in relation to individual projects are capitalised only when the future economic benefit of the project is probable and the following main conditions are met: (i) the development costs can be measured reliably, (ii) the technical feasibility of the product has been ascertained and (iii) therefore it is the intention of management to complete the intangible asset and use or sell it.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Subsidiaries

A subsidiary is an entity including unincorporated and special purpose entity that is controlled by the reporting entity and the reporting entity is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of substantive potential voting rights that the reporting entity has the practical ability to exercise (that is, substantive rights) are considered when assessing whether the reporting entity controls another entity.

In the reporting entity's separate financial statements, an investment in a subsidiary is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for a subsidiary is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of the investment in a subsidiary are not necessarily indicative of the amount that would be realised in a current market exchange.

Associates

An associate is an entity including an unincorporated entity in which the reporting entity has a significant influence and that is neither a subsidiary nor a joint arrangement of the reporting entity. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

In the equity accounted financial statements (economic interest financial statements), the accounting for investments in an associate is on the equity method. An investment in an associate includes goodwill on acquisition, which is accounted for in accordance with FRS 103 Business Combinations. However the entire carrying amount of the investment is tested under FRS 36 for impairment, by comparing its recoverable amount (higher of value in use and fair value) with its carrying amount, whenever application of the requirements in FRS 39 indicates that the investment may be impaired. Under the equity method the investment is initially recognised at cost and adjusted thereafter for the post-acquisition change in the investor's share of the investee's net assets. The carrying value and the net book value of an investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange. The investor's profit or loss includes its share of the investee's profit or loss and the investor's other comprehensive income includes its share of the investee's other comprehensive income. Losses of an associate in excess of the reporting entity's interest in the relevant associate are not recognised except to the extent that the reporting entity has an obligation.

Profits and losses resulting from transactions between the reporting entity and an associate are recognised in the financial statements only to the extent of unrelated reporting entity's interests in the associate. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates are changed where necessary to ensure consistency with the policies adopted by the reporting entity. The reporting entity discontinues the use of the equity method from the date that when its investment ceases to be an associate and accounts for the investment in accordance with FRS 39 from that date. Any gain or loss is recognised in profit or loss. Any investment retained in the former associate is measured at fair value at the date that it ceases to be an associate.

In the Company's separate financial statements, an investment in an associate is accounted for at cost less any allowance for impairment in value. Impairment loss recognised in profit or loss for an associate is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying value and the net book value of an investment in the associate are not necessarily indicative of the amounts that would be realised in a current market exchange.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Business combinations

Business combinations are accounted for by applying the acquisition method.

A business combination is transaction or other event which requires that the assets acquired and liabilities assumed constitute a business. It is accounted for by applying the acquisition method of accounting. The cost of a business combination includes the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer, in exchange for control of the acquiree. The acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received except for any costs to issue debt or equity securities are recognised in accordance with FRS 32 and FRS 39. As of the acquisition date, the acquirer recognises, separately from goodwill, the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree measured at acquisition-date fair values as defined in and that meet the conditions for recognition under FRS 103. If there is gain on bargain purchase, for the gain on bargain purchase a reassessment is made of the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the business combination and any excess remaining after this reassessment is recognised immediately in profit or loss.

Where the fair values are measured on a provisional basis they are finalised within one year from the acquisition date with consequent retrospective changes to the amounts recognised at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date.

Goodwill and fair value adjustments resulting from the application of purchase accounting at the date of acquisition are treated as assets and liabilities of the foreign entity and are recorded at the exchange rates prevailing at the acquisition date and are subsequently translated at the period end exchange rate.

Non-controlling interests

The non-controlling interest is equity in a subsidiary not attributable, directly or indirectly, to the reporting entity as the parent. The non-controlling interest is presented in the consolidated statement of financial position within equity, separately from the equity of the owners of the parent. For each business combination, any non-controlling interest in the acquiree (subsidiary) is initially measured either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Where the non-controlling interest is measured at fair value, the valuation techniques and key model inputs used are disclosed in the relevant Note. Profit or loss and each component of other comprehensive income are attributed to the owners of the parent and to the non-controlling interests. Total comprehensive income is attributed to the owners of the parent and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognised. Goodwill is recognised as of the acquisition date measured as the excess of (a) over (b); (a) being the aggregate of: (i) the consideration transferred which generally requires acquisition-date fair value; (ii) the amount of any non-controlling interest in the acquiree measured in accordance with FRS 103 (measured either at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets); and (iii) in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree; and (b) being the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed measured in accordance with this FRS 103.

After initial recognition, goodwill acquired in a business combination is measured at cost less any accumulated impairment losses. Goodwill is not amortised. Irrespective of whether there is any indication of impairment, goodwill (and also an intangible asset with an indefinite useful life or an intangible asset not yet available for use) are tested for impairment, at least annually. Goodwill impairment is not reversed in any circumstances.

For the purpose of impairment testing and since the acquisition date of the business combination, goodwill is allocated to each cash-generating unit, or groups of cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree were assigned to those units or groups of units. Each unit or group of units to which the goodwill is so allocated represent the lowest level within the entity at which the goodwill is monitored for internal management purposes and is not larger than a segment.

Assets classified as held for sale

Identifiable assets and liabilities and any disposal groups are classified as held for sale if their carrying amount is to be recovered principally through a sale transaction rather than through continuing use. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, except as permitted by FRS 105 in certain circumstances. It can include a subsidiary acquired exclusively with a view to resale. Assets that meet the criteria to be classified as held for sale are measured at the lower of carrying amount and fair value less costs of disposal and are presented separately on the face of the statement of financial position. Once an asset is classified as held for sale or included in a group of assets held for sale no further depreciation or amortisation is recorded. Impairment losses on initial classification of the balances as held for sale are included in profit or loss, even when there is a revaluation. The same applies to gains and losses on subsequent remeasurement.

Inventories

Inventories are measured at the lower of cost (first in first out method) and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Impairment of non-financial assets

Irrespective of whether there is any indication of impairment, an annual impairment test is performed at about the same time every year on an intangible asset with an indefinite useful life or an intangible asset not yet available for use. The carrying amount of other non-financial assets is reviewed at each end of the reporting year for indications of impairment and where an asset is impaired, it is written down through profit or loss to its estimated recoverable amount. The impairment loss is the excess of the carrying amount over the recoverable amount and is recognised in profit or loss. The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value-in-use. When the fair value less costs of disposal method is used, any available recent market transactions are taken into consideration. When the value-in-use method is adopted, in assessing the value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). At each end of the reporting year non-financial assets other than goodwill with impairment loss recognised in prior periods are assessed for possible reversal of the impairment. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been measured, net of depreciation or amortisation, if no impairment loss had been recognised.

Financial assets

Initial recognition, measurement and derecognition:

A financial asset is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument. The initial recognition of financial assets is at fair value normally represented by the transaction price. The transaction price for financial asset not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs incurred on the acquisition or issue of financial assets classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Irrespective of the legal form of the transactions performed, financial assets are derecognised when they pass the "substance over form" based on the derecognition test prescribed by FRS 39 relating to the transfer of risks and rewards of ownership and the transfer of control. Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is currently a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial assets (cont'd)

Subsequent measurement:

Subsequent measurement based on the classification of the financial assets in one of the following categories under FRS 39 is as follows:

1. Financial assets at fair value through profit or loss: As at end of the reporting year date there were no financial assets classified in this category.

2. Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Assets that are for sale immediately or in the near term are not classified in this category. These assets are carried at amortised costs using the effective interest method (except that short-duration receivables with no stated interest rate are normally measured at original invoice amount unless the effect of imputing interest would be significant) minus any reduction (directly or through the use of an allowance account) for impairment or uncollectibility. Impairment charges are provided only when there is objective evidence that an impairment loss has been incurred as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The methodology ensures that an impairment loss is not recognised on the initial recognition of an asset. Losses expected as a result of future events, no matter how likely, are not recognised. For impairment, the carrying amount of the asset is reduced through use of an allowance account. The amount of the loss is recognised in profit or loss. An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. Typically the trade and other receivables are classified in this category.

3. Held-to-maturity financial assets: As at end of the reporting year date there were no financial assets classified in this category.

4. Available-for-sale financial assets: As at end of the reporting year date there were no financial assets classified in this category.

Cash and cash equivalents

Cash and cash equivalents include bank and cash balances, on demand deposits and any highly liquid debt instruments purchased with an original maturity of three months or less. For the statement of cash flows the item includes cash and cash equivalents less cash subject to restriction and bank overdrafts payable on demand that form an integral part of cash management.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Financial liabilities

Initial recognition, measurement and derecognition:

A financial liability is recognised on the statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument and it is derecognised when the obligation specified in the contract is discharged or cancelled or expires. The initial recognition of financial liability is at fair value normally represented by the transaction price. The transaction price for financial liability not classified at fair value through profit or loss includes the transaction costs that are directly attributable to the acquisition or issue of the financial liability. Transaction costs incurred on the acquisition or issue of financial liability classified at fair value through profit or loss are expensed immediately. The transactions are recorded at the trade date.

Subsequent measurement:

Subsequent measurement based on the classification of the financial liabilities in one of the following two categories under FRS 39 is as follows:

1. Liabilities at fair value through profit or loss: Liabilities are classified in this category when they are incurred principally for the purpose of selling or repurchasing in the near term (trading liabilities) or are derivatives (except for a derivative that is a designated and effective hedging instrument) or have been classified in this category because the conditions are met to use the "fair value option" and it is used. All changes in fair value relating to liabilities at fair value through profit or loss are charged to profit or loss as incurred.

2. Liabilities at amortised cost: These liabilities are carried at amortised cost using the effective interest method.

Financial instruments such as redeemable preference shares and other puttable financial instruments which are mandatorily redeemable on a specific date, or at the option of the owners or if dividend payments are not discretionary, are classified as financial liabilities. The dividends on these preference shares classified as financial liabilities are recognised in profit or loss as finance cost.

Fair value measurement

When measuring fair value, management uses the assumptions that market participants would use when pricing the asset or liability under current market conditions, including assumptions about risk. It is a market-based measurement, not an entity-specific measurement. The entity's intention to hold an asset or to settle or otherwise fulfil a liability is not taken into account as relevant when measuring fair value. In making the fair value measurement, management determines the following: (a) the particular asset or liability being measured (these are identified and disclosed in the relevant notes below); (b) for a non-financial asset, the highest and best use of the asset and whether the asset is used in combination with other assets or on a stand-alone basis; (c) the market in which an orderly transaction would take place for the asset or liability; and (d) the appropriate valuation techniques to use when measuring fair value. The valuation techniques used maximise the use of relevant observable inputs and minimise unobservable inputs. These inputs are consistent with the inputs a market participant may use when pricing the asset or liability.

2. Significant accounting policies and other explanatory information (cont'd)

2A. Significant accounting policies (cont'd)

Fair value measurement (cont'd)

The fair value measurements categorise the inputs used to measure fair value by using a fair value hierarchy of three levels. These are recurring fair value measurements unless stated otherwise in the relevant notes to the financial statements. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date. Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for the asset or liability. The level is measured on the basis of the lowest level input that is significant to the fair value measurement in its entirety. Transfers between levels of the fair value hierarchy are deemed to have occurred at the beginning of the reporting year. If a financial instrument measured at fair value has a bid price and an ask price, the price within the bid-ask spread or mid-market pricing that is most representative of fair value in the circumstances is used to measure fair value regardless of where the input is categorised within the fair value hierarchy. If there is no market, or the markets available are not active, the fair value is established by using an acceptable valuation technique.

The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value. The fair values of non-current financial instruments may not be disclosed separately unless there are significant differences at the end of the reporting year and in the event the fair values are disclosed in the relevant notes to the financial statements.

2B. Other explanatory information

Provisions

A liability or provision is recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. A provision is made using best estimates of the amount required in settlement and where the effect of the time value of money is material, the amount recognised is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense. Changes in estimates are reflected in profit or loss in the reporting year they occur.

Treasury shares

Where the entity reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental cost is deducted from equity attributable to the entity's owners until the shares are cancelled, reissued or disposed of. Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the entity's owners and no gain or loss is recognised in profit or loss.

2. Significant accounting policies and other explanatory information (cont'd)

2C. Critical judgements, assumptions and estimation uncertainties

The critical judgements made in the process of applying the accounting policies that have the most significant effect on the amounts recognised in the financial statements and the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting year, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities currently or within the next reporting year are discussed below. These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates.

Assessment of impairment of goodwill:
An assessment is made annually whether goodwill has suffered any impairment loss. The assessment process is judgmental and is based on assumptions that are affected by expected future market or economic conditions. Judgement is required in identifying the cash-generating units ("CGU") and the use of estimates as disclosed in Note 16. Actual outcomes could vary from these estimates.

Deconsolidation of Aoxin Q & M Dental Group Limited ("Aoxin Q & M") as subsidiary and fair value of remaining shareholding in Aoxin Q & M as investment in associate:

On 26 April 2017, the Group has successfully listed its wholly-owned subsidiary, Aoxin Q & M on the Catalist Board of the Singapore Exchange Securities Trading Limited. Following the listing of the Aoxin Q & M, the Group's interest in Aoxin Q & M decreased from 100% to 45.94%.

Management considered the event and that Aoxin Q & M now has a separate independent board to govern its operations. The Group no longer has control over Aoxin Q & M. Consequently, the Group deconsolidated Aoxin Q & M on 26 April 2017, reclassified it as an associate and remeasured its shareholdings of 45.94% in Aoxin Q & M at fair value based on the initial public offering issue price of Aoxin Q & M's shares.

Management has determined the issue price of Aoxin Q & M's shares for the listing on the Catalist Board to be a reasonable estimate of the fair value of the investment in Aoxin Q & M. The interest of 45.94% in Aoxin Q & M has a fair value of $32,692,000 on 26 April 2017 and accordingly, a gain on disposal of subsidiary of $17,102,000 was recorded for the year ended 31 December 2017.

The investment in associate amounts is disclosed in the Note 15 to the financial statements.

Allowance for doubtful trade and other receivables:
An allowance is made for doubtful trade and other receivables for estimated losses resulting from the subsequent inability of the debtors to make required payments. If the financial conditions of the debtors were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required in future periods. To the extent that it is feasible impairment and uncollectibility is determined individually for each item. In cases where that process is not feasible, a collective evaluation of impairment is performed. At the end of the reporting year, the trade and other receivables carrying amount approximates the fair value and the carrying amounts might change materially within the next reporting year but these changes would not arise from assumptions or other sources of estimation uncertainty at the end of the reporting year. The carrying amount is disclosed in the Note 19 on trade and other receivables.

2. Significant accounting policies and other explanatory information (cont'd)

2C. Critical judgements, assumptions and estimation uncertainties (cont'd)

Net realisable value of inventories:
A review is made on inventory for excess inventory and declines in net realisable value below cost and an allowance is recorded against the inventory balance for any such declines. The review requires management to consider the future demand for the products. In any case the realisable value represents the best estimate of the recoverable amount and is based on the acceptable evidence available at the end of the reporting year and inherently involves estimates regarding the future expected realisable value. The usual considerations for determining the amount of allowance or write-down include ageing analysis, technical assessment and subsequent events. In general, such an evaluation process requires significant judgement and materially affects the carrying amount of inventories at the end of the reporting year. Possible changes in these estimates could result in revisions to the stated value of the inventories. The carrying amount of inventories at the end of the reporting year is disclosed in the Note 18 on inventories.

Income tax amounts:
The entity recognises tax liabilities and assets tax based on an estimation of the likely taxes due, which requires significant judgement as to the ultimate tax determination of certain items. Where the actual amount arising from these issues differs from these estimates, such differences will have an impact on income tax and deferred tax amounts in the period when such determination is made. In addition management judgement is required in determining the amount of current and deferred tax recognised and the extent to which amounts should or can be recognised. A deferred tax asset is recognised for unused tax losses if it is probable that the entity will earn sufficient taxable profit in future periods to benefit from a reduction in tax payments. This involves the management making assumptions within its overall tax planning activities and periodically reassessing them in order to reflect changed circumstances as well as tax regulations. Moreover, the measurement of a deferred tax asset or liability reflects the manner in which the entity expects to recover the asset's carrying value or settle the liability. As a result, due to their inherent nature assessments of likelihood are judgmental and not susceptible to precise determination. The income tax amounts are disclosed in the Note 10 on income tax.

Sign-on bonuses:
The Group entered into service agreements with certain of its dentists and doctors. Certain of these service agreements include sign-on bonuses that are paid to the dentists and doctors concerned. The carrying value of the deferred sign-on bonuses is $1,099,000 at the end of the reporting year. An assessment is made at each reporting date whether there is any indication that the asset may be impaired. If any such indication exists, an estimate is made of the recoverable amount of the asset. The recoverable amounts are determined for each relevant dentist or doctor based on calculations of future profitability generated by the dentist or doctor concerned. These calculations require the use of estimates. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require an adjustment to the carrying amount of the balances affected.

2. Significant accounting policies and other explanatory information (cont'd)

2C. Critical judgements, assumptions and estimation uncertainties (cont'd)

Useful lives of property, plant and equipment:
The estimates for the useful lives and related depreciation charges for property, plant and equipment is based on commercial and other factors which could change significantly as a result of innovations and in response to market conditions. The depreciation charge is increased where useful lives are less than previously estimated lives, or the carrying amounts written off or written down for technically obsolete items or assets that have been abandoned. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the balances affected. The carrying amount of the specific asset (or class of assets) of the Group at the end of the reporting year affected by the assumption are $20,329,000.

In addition, included in property, plant and equipment of the Group are furniture and fittings and leasehold improvements with a carrying amount of $5,839,000 as at end of the reporting year. Management has depreciated the furniture and fittings on a straight-line basis over their estimated useful lives of 10 years. The terms of the leases for the Group's premises may however be less than 10 years. Management has assumed the Group will be able to renew the terms of its leases on their expiry and hence the estimated useful lives for furniture and fittings of 10 years is appropriate. In the event the Group is not able to renew the terms of its various leases and the Group vacates the relevant premises, the carrying value of furniture and fittings related to the vacated premises would have to be fully impaired.

Measurement of impairment of subsidiaries:
Where an investee is in net equity deficit and or has suffered losses a test is made whether the investment in the investee has suffered any impairment. This measurement requires significant judgement. An estimate is made of the future profitability of the investee, and the financial health of and near-term business outlook for the investee, including factors such as industry and sector performance, and operational and financing cash flow. It is impracticable to disclose the extent of the possible effects. It is reasonably possible, based on existing knowledge, that outcomes within the next reporting year that are different from assumptions could require a material adjustment to the carrying amount of the asset or liability affected. The carrying amount of the specific asset or liability (or class of assets or liabilities) at the end of the reporting year affected by the assumption is $2,819,000.

3. Related party relationships and transactions

FRS 24 on related party disclosures requires the reporting entity to disclose: (a) transactions with its related parties; and (b) relationships between parents and subsidiaries irrespective of whether there have been transactions between those related parties. A party is related to a party if the party controls, or is controlled by, or can significantly influence or is significantly influenced by the other party.

The ultimate controlling party is Dr Ng Chin Siau, a director and significant shareholder.

3A. Members of a group:

Name	Relationship	Country of incorporation
Quan Min Holdings Pte. Ltd.	Parent company and ultimate parent company	Singapore

Related companies in these financial statements include the members of the above group of companies. Associates also include those that are associates of members of the above group.

3. Related party relationships and transactions (cont'd)

3B. Related party transactions:

There are transactions and arrangements between the reporting entity and related parties and the effects of these on the basis determined between the parties are reflected in these financial statements. The related party balances and financial guarantees, if any are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

In addition to the transactions and balances disclosed elsewhere in the notes to the financial statements, this item includes the following:

Significant related party transactions:

	Directors of Company	
	2017	2016
Group	$'000	$'000
Rental expense	72	51

	Other related parties	
	2017	2016
	$'000	$'000
Rental expense [(a)]	162	75

[(a)] Rental expense paid to the associates of the director, director of subsidiary, principal shareholders and their connected companies.

3C. Key management compensation:

	Group	
	2017	2016
	$'000	$'000
Salaries and other short-term employee benefits	1,789	2,099

The above amounts are included under employee benefits expense. Included in the above amounts are the following items:

	Group	
	2017	2016
	$'000	$'000
Remuneration of directors of the Company	489	870
Fee to directors of the Company	174	168

Further information about the remuneration of individual directors is provided in the report on corporate governance.

3. Related party relationships and transactions (cont'd)

3C. Key management compensation: (cont'd)

Key management personnel are the directors and those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly.

The above amounts for key management compensation are for all the directors and other key management personnel. The amounts also include fees paid to directors for dental services rendered in their capacity as dentists.

4. Financial information by operating segments

4A. Information about reportable segment profit or loss, assets and liabilities

Disclosure of information about operating segments, products and services, the geographical areas, and the major customers are made as required by FRS 108 Operating Segments. This disclosure standard has no impact on the reported financial performance or financial position of the reporting entity.

For management purpose the reporting entity is organised into the following major strategic operating segments that offer different products and services: (1) primary healthcare (2) dental equipment & supplies distribution (3) dental supplies manufacturing. Such a structural organisation is determined by the nature of risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The following summary describes the operations in each of the Group's operating segments:

(1) Primary healthcare comprising dentistry, family medicine, aesthetic services.

(2) Dental equipment & supplies distribution comprising distribution of dental supplies and equipment.

(3) Dental supplies manufacturing comprising distribution of manufactured dental supplies.

Inter-segment sales are measured on the basis that the entity actually used to price the transfers. Internal transfer pricing policies of the reporting entity are as far as practicable based on market prices. The accounting policies of the operating segments are the same as those described in the significant accounting policies.

Performance is measured based on segment results before allocation of share of profit from equity-accounted associates, one-off gains or expenses and income tax, as included in the internal management reports. Segment results is used to measure performance as management believes that such information is the most relevant in evaluating the results of the operating segments relative to other entities that operate in similar industries.

The following tables illustrate the information about the reportable segment profit or loss, assets and liabilities.

4 Financial information by operating segments (cont'd)

4B. Profit or loss

	2017 $'000	2016 $'000
Segment Revenue		
Primary healthcare	112,809	118,720
Dental equipment & supplies distribution	10,683	13,730
Dental supplies manufacturing	–	22,487
Total revenue	123,492	154,937
Segment Results		
Primary healthcare	9,996	11,431
Dental equipment & supplies distribution	(165)	141
Dental supplies manufacturing	–	7,882
Gain on disposal of subsidiaries	17,392	21,327
Professional fees and expenses in relation to the spin-off of Aidite Qinhuangdao and Aoxin Q & M Dental Group Limited	(2,350)	(1,115)
Provision for impairment on assets held for sale	(1,584)	–
Provision for impairment on goodwill	(1,611)	(4,142)
Provision for impairment on other receivables	(1,216)	–
Share of profit from equity – accounted associates	3,950	–
Profit before tax	24,412	35,524
Income tax expense	(739)	(2,204)
Profit, net of tax	23,673	33,320

4C. Assets and reconciliation

	2017 $'000	2016 $'000
Segment Assets		
Primary healthcare	138,394	179,059
Dental equipment & supplies distribution	7,356	10,950
Unallocated - Investment in associates	74,281	39,812
Total Group assets	220,031	229,821

4D. Liabilities and reconciliation

	2017 $'000	2016 $'000
Segment Liabilities		
Primary healthcare	103,614	103,399
Dental equipment & supplies distribution	2,550	4,379
Dental supplies manufacturing	–	–
Total Group liabilities	106,614	107,778

4 Financial information by operating segments (cont'd)

4E. Other material items and reconciliations

	2017 $'000	2016 $'000
Impairment of assets		
Primary healthcare	4,452	2,152
Dental equipment & supplies distribution	300	1,990
Dental supplies manufacturing	–	–
Total	4,752	4,142
Expenditure for non-current assets		
Primary healthcare	5,134	19,760
Dental equipment & supplies distribution	177	907
Dental supplies manufacturing	–	3,384
Total	5,311	24,051
Depreciation		
Primary healthcare	3,000	3,790
Dental equipment & supplies distribution	51	57
Dental supplies manufacturing	–	347
Total	3,051	4,194
Amortisation		
Primary healthcare	203	103
Dental equipment & supplies distribution	–	45
Dental supplies manufacturing	–	115
Total	203	263
Finance Cost		
Primary healthcare	3,243	3,401
Dental equipment & supplies distribution	–	3
Dental supplies manufacturing	–	–
Total	3,243	3,404

4 Financial information by operating segments (cont'd)

4F. Geographical information

	2017 $'000	2016 $'000
Revenue		
Singapore	108,968	106,188
Malaysia	6,745	6,645
China	7,779	42,104
Total	123,492	154,937
Non-Current Assets		
Singapore	72,665	72,229
Malaysia	2,633	1,562
China	82,428	75,610
Total	157,726	149,401

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located. The non-current assets exclude any financial instruments and deferred tax assets.

4G. Information about major customers

	2017 $'000	2016 $'000
Top 1 customer in dental equipment & supplies distribution	1,600	–

5. Revenue

	Group	
	2017 $'000	2016 $'000
Rendering of services	111,341	116,402
Sales of goods	10,607	35,994
Rental income	853	1,000
Other income	691	1,541
	123,492	154,937

6. Employee benefits expense

	Group	
	2017	2016
	$'000	$'000
Short term employee benefits expense	66,219	70,328
Contributions to defined contribution plans	3,104	3,806
Other benefits	436	447
Total employee benefits expense	69,759	74,581

Employee benefits expense includes fees paid to dentists for dental services rendered. The fees paid are at certain pre-agreed percentages of fee revenue earned from patients.

7. Finance costs

	Group	
	2017	2016
	$'000	$'000
Interest expense	3,243	3,404

8. Other expenses

The major components and other selected components include the following:

	Group	
	2017	2016
	$'000	$'000
Legal and professional fees	1,706	1,714
NETS and credit card transaction charges	1,358	1,308
Repair and maintenance	949	1,453
Travelling expenses	290	1,020
Utilities	590	655

9. Other gains and (other losses)

	Group 2017 $'000	Group 2016 $'000
Enhanced special employment credit	(8)	762
Foreign exchange adjustment losses	(7)	(140)
Provision for impairment on asset held for sale (Note 17)	(1,584)	–
Provision for impairment on other receivables (Note 19)	(1,216)	–
Provision for impairment on trade receivables (Note 19)	(77)	–
Gain on disposal of plant and equipment, net	13	8
Gain on disposal of subsidiaries (Notes 28 and 29)	17,392	21,327
Impairment of goodwill and intangible assets (Note 16)	(1,611)	(4,142)
Impairment of plant and equipment (Note 13)	(167)	–
Impairment of inventories (Note 18)	(97)	–
Plant and equipment written off	(100)	(802)
Productivity and innovation credits	(39)	540
Professional fees and expenses in relation to the spin-off of Aidite Qinhuangdao and Aoxin Q & M Dental Group Limited	(2,350)	(1,115)
Profit guarantee received/receivable from vendors/shareholders	604	433
Net	10,753	16,871
Presented in profit or loss as:		
Other gains	18,009	23,070
Other losses	(7,256)	(6,199)
Net	10,753	16,871

10. Income tax expense

10A. Components of tax expense recognised in profit or loss include:

	Group 2017 $'000	Group 2016 $'000
Current tax expense:		
Current tax expense	484	2,261
Under adjustments to current tax in respect of prior periods	109	19
Subtotal	593	2,280
Deferred tax expense:		
Deferred tax expense	132	(53)
Under/(over) adjustments to deferred tax in respect of prior periods	14	(23)
Subtotal	146	(76)
Total income tax expense	739	2,204

The reconciliation of income taxes below is determined by applying the Singapore corporate tax rate.

10. Income tax expense (cont'd)

10A. Components of tax expense recognised in profit or loss include: (cont'd)

The income tax in profit or loss varied from the amount of income tax amount determined by applying the Singapore income tax rate of 17.0% (2016: 17.0%) to profit or loss before income tax as a result of the following differences:

	Group	
	2017	2016
	$'000	$'000
Profit before tax	24,412	35,524
Share of profit from equity-accounted associates	(3,950)	-
	20,462	35,524
Income tax expense at the above rate	3,479	6,039
Effect of different tax rates in different countries	25	168
Expenses not deductible for tax purposes	1,881	2,086
Income not subject to tax	(3,270)	(4,451)
Stepped income exemptions	(587)	(469)
Under (Over) adjustments to tax in respect of prior periods	123	(4)
Productivity and innovation credit	(1,010)	(1,032)
Other minor items less than 3% each	98	(133)
Total income tax expense	739	2,204

There are no income tax consequences of dividends to owners of the Company.

10B. Deferred tax expense recognised in profit or loss include:

	Group	
	2017	2016
	$'000	$'000
From deferred tax (liabilities) assets recognised in profit or loss:		
Excess of net book value of plant and equipment over tax values	149	(22)
Tax loss carry forwards	(66)	20
Foreign exchange differences	63	(74)
Total deferred income tax expense (income) recognised in profit or loss	146	(76)

10. Income tax expense (cont'd)

10C. Deferred tax balance in the statement of financial position:

	Group 2017 $'000	Group 2016 $'000
Deferred tax (liabilities) assets recognised in profit or loss:		
Excess of net book value of plant and equipment over tax values	(1,264)	(1,480)
Tax loss carry forwards	144	78
Total	(1,120)	(1,402)
Presented in the statement of financial position as follows:		
Deferred tax liabilities	(1,120)	(1,402)

It is impracticable to estimate the amount expected to be settled or used within one year.

11. Earnings per share

The following table illustrates the numerators and denominators used to calculate basic and diluted earnings per share of no par value:

	Group 2017 $'000	Group 2016 $'000
Numerators: earnings attributable to equity:		
Continuing operations: attributable to equity holders	23,869	28,301

	Group 2017 $'000	Group 2016 $'000
Denominators: weighted average number of equity shares		
Basic and diluted	796,346	794,253

The weighted average number of ordinary shares refers to shares in issue outstanding during the reporting year.

The basic earnings per share ratio is based on the weighted average number of ordinary shares outstanding during each reporting year. It is after the neutralisation by the treasury shares.

There is no diluted effect on the earnings per share for the reporting year 2017 and 2016.

12. Dividends on equity shares

	Group and Company	
	2017	2016
	$'000	$'000
Interim tax exempt dividend paid of 0.70 cents (2016: 0.42 cents) per share	5,637	3,345
First and final tax exempt dividend paid of 0.70 cents (2016: 0.42 cents) per share	5,514	3,346
	11,151	6,691

In respect of the current year, the directors propose that a final dividend of 0.42 cents per share and a special dividend of 0.50 cents per share with a total of $7,313,000 be paid to shareholders. There are no income tax consequences. This dividend is subject to approval by shareholders at the next annual general meeting and has not been included as a liability in these financial statements. The proposed final dividend for 2017 is payable in respect of all ordinary shares in issue at the end of the reporting year and including the new qualifying shares issued up to the date the dividend becomes payable.

13. Property, plant and equipment

Group	Leasehold improvements	Furniture and fittings and equipment	Leasehold property	Construction in progress	Motor vehicle	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Cost:						
At 1 January 2016	6,743	31,116	6,795	4,398	160	49,212
Additions	677	4,461	1,848	-	106	7,092
Arising from acquisition of subsidiaries (Note 27)	1,103	1,863	-	-	-	2,966
Arising from deconsolidation of subsidiary (Note 28)	-	(1,921)	(6,025)	-	-	(7,946)
Disposals	(634)	(2,252)	-	-	-	(2,886)
Completion of construction in progress	-	-	4,206	(4,206)	-	-
Foreign currency translation adjustment	(99)	(397)	(40)	(192)	(10)	(738)
At 31 December 2016	7,790	32,870	6,784	-	256	47,700
Additions	1,445	3,417	-	-	-	4,862
Arising from acquisition of subsidiaries (Note 27)	-	21	-	-	-	21
Arising from deconsolidation of subsidiary (Note 28)	(2,201)	(7,634)	-	-	-	(9,835)
Arising from disposal of subsidiary (Note 29)	(76)	(458)	-	-	-	(534)
Disposals	(186)	(909)	-	-	-	(1,095)
Foreign currency translation adjustment	(54)	(190)	-	-	(1)	(245)
At 31 December 2017	6,718	27,117	6,784	-	255	40,874

13. Property, plant and equipment (cont'd)

Group	Leasehold improvements	Furniture and fittings and equipment	Leasehold property	Construction in progress	Motor vehicle	Total
	$'000	$'000	$'000	$'000	$'000	$'000
Accumulated depreciation:						
At 1 January 2016	1,597	13,121	140	–	63	14,921
Additions	363	3,545	247	–	39	4,194
Arising from acquisition of subsidiaries (Note 27)	1,060	1,700	–	–	–	2,760
Arising from deconsolidation of subsidiary (Note 28)	–	(378)	(158)	–	–	(536)
Disposals	(197)	(728)	–	–	–	(925)
Foreign currency translation adjustment	(16)	(73)	–	–	(6)	(95)
At 31 December 2016	2,807	17,187	229	–	96	20,319
Additions	156	2,787	90	–	18	3,051
Arising from deconsolidation of subsidiary (Note 28)	(402)	(2,109)	–	–	–	(2,511)
Arising from disposal of subsidiary (Note 29)	(73)	(181)	–	–	–	(254)
Disposals	(87)	(149)	–	–	–	(236)
Impairment for the year	140	27	–	–	–	167
Foreign currency translation adjustment	(9)	15	–	–	3	9
At 31 December 2017	2,532	17,577	319	–	117	20,545
Carrying value:						
At 1 January 2016	5,146	17,995	6,655	4,398	97	34,291
At 31 December 2016	4,983	15,683	6,555	–	160	27,381
At 31 December 2017	4,186	9,540	6,465	–	138	20,329

During the reporting year the residual value and the useful life of certain assets were revised. As a result of this review, the estimated useful lives of certain assets have been increased to 6 years from 3 years. The change in estimates has no significant impact on the results for the reporting year. The change in estimates reduced the depreciation charge for the reporting year by $317,000.

13. Property, plant and equipment (cont'd)

A leasehold property at a carrying value of approximately $6,465,000 (2016: $6,655,000) is mortgaged as security for the bank facilities (See Note 26).

Company	Furniture and fittings and office equipment
	$'000
Cost:	
At 1 January 2016	900
Additions	50
At 31 December 2016	950
Additions	15
At 31 December 2017	965
Depreciation:	
At 1 January 2016	469
Depreciation for the year	102
At 31 December 2016	571
Depreciation for the year	51
At 31 December 2017	622
Carrying value:	
At 1 January 2016	431
At 31 December 2016	379
At 31 December 2017	343

14. Investment in subsidiaries

	Company	
	2017	2016
	$'000	$'000
Cost at the beginning of the year	85,999	47,396
Acquisitions	18,278	38,603
Deconsolidation of subsidiary	(25,600)	-
Cost at end of the year	78,677	85,999
Less: Allowance for impairment	(820)	(361)
Net carrying amount	77,857	85,638
Analysis of above amount denominated in non-functional currency		
United States Dollars	411	411
Malaysian Ringgit	203	203

14. Investment in subsidiaries (cont'd)

	Company 2017 $'000	Company 2016 $'000
Movements in allowance for impairment:		
Balance at beginning of the year	361	120
Impairment loss charged to profit or loss included in other losses	459	241
Balance at end of the year	820	361

The impairment loss was provided on certain subsidiaries that became inactive.

The following subsidiaries are wholly owned by the Group:

Name of Subsidiaries	Cost in books of Group 2017 $'000	Cost in books of Group 2016 $'000
Held by Company		
Q & M Dental Surgery (Admiralty) Pte. Ltd.	100	100
Q & M Dental Surgery (Ang Mo Kio Central) Pte. Ltd.	100	100
Q & M Dental Surgery (Braddell) Pte. Ltd.	100	100
Q & M Dental Surgery (Bukit Batok) Pte. Ltd.	100	100
Q & M Dental Surgery (Bukit Panjang) Pte. Ltd.	100	100
Q & M Dental Surgery (Bukit Timah) Pte. Ltd.	100	100
Q & M Dental Surgery (Clementi Central) Pte. Ltd.	100	100
Q & M Dental Surgery (Clementi) Pte. Ltd.	100	100
Q & M Dental Surgery (Hougang Central) Pte. Ltd.	100	100
Q & M Dental Surgery (Hougang Plaza) Pte. Ltd.	100	100
Q & M Dental Surgery (Jelapang) Pte. Ltd.	100	100
Q & M Dental Surgery (Jurong East Central) Pte. Ltd.	100	100
Q & M Dental Surgery (Kallang MRT) Pte. Ltd.	100	100
Q & M Dental Surgery (Khatib) Pte. Ltd.	100	100
Q & M Dental Surgery (Old Airport Rd) Pte. Ltd.	100	100
Q & M Dental Surgery (Pasir Ris) Pte. Ltd.	100	100
Q & M Dental Surgery (Sembawang) Pte. Ltd. (b)	100	100
Q & M Dental Surgery (Sembawang MRT) Pte. Ltd.	100	100
Q & M Dental Surgery (Serangoon Central) Pte. Ltd.	100	100
Q & M Dental Surgery (Serangoon North) Pte. Ltd.	100	100
Q & M Dental Surgery (Sims Place) Pte. Ltd. (b)	100	100
Q & M Dental Surgery (Tiong Bahru) Pte. Ltd.	96	96
Q & M Dental Surgery (Toa Payoh) Pte. Ltd.	100	100
Q & M Dental Surgery (Toa Payoh Central) Pte. Ltd.	100	100
Q & M Dental Surgery (Yishun Central) Pte. Ltd.	100	100
Q & M Dental Surgery (Boon Lay) Pte. Ltd. (b)	100	100

14. Investment in subsidiaries (cont'd)

Name of Subsidiaries	Cost in books of Group	
	2017	2016
	$'000	$'000
Held by Company		
Q & M Dental Surgery (Gombak) Pte. Ltd.	17	17
Q & M Dental Surgery (Hougang Mall) Pte. Ltd.	100	100
Q & M Dental Surgery (Serangoon) Pte. Ltd.	100	100
Q & M Dental Surgery (Elias Mall) Pte. Ltd.	100	100
Q & M Dental Surgery (Redhill MRT) Pte. Ltd.	92	92
Q & M Laboratory & Marketing Pte. Ltd. (d)	124	124
Q & M Dental Surgery (Marsiling) Pte. Ltd.	65	65
Q & M Management & Consultancy Pte. Ltd. (b)	52	52
Q & M Dental Surgery (Boon Lay MRT) Pte. Ltd.	100	100
Q & M Dental Surgery (Gombak MRT) Pte. Ltd.	100	100
Q & M Mobile Dental Clinic Pte. Ltd. (b)	50	50
Killiney Dental Centre Pte. Ltd.	100	100
Q & M Dental Centre Pte. Ltd.	100	100
Q & M Dental Institute Pte. Ltd. (b)	20	20
Q & M Dental Centre (Orchard) Pte. Ltd.	100	100
Q & M Dental Group (Malaysia) Sdn. Bhd. (c)(j)(l)	203	203
Aoxin Q & M Dental Group Limited. (Formerly known as Q & M Dental Holdings (China) Pte. Ltd.) (c)	–	10,000
Dentigiene Dental Surgery Pte. Ltd.	567	567
Q & M Medical Group (Singapore) Pte. Ltd. (c)	200	200
Q & M Dental Centre (Raffles Place) Pte. Ltd.	100	100
Q & M Aidite International Pte. Ltd. (c)(n)	17,842(m)	17,842(m)
Lee & Lee (Dental Surgeons) Pte. Ltd.	10,000	10,000
Ho Dental Surgery (Marine Parade) Pte. Ltd. (l)	–(a)	–(a)
Jurong Point Dental Centre Pte. Ltd. (l)	100	100
British Dental Surgery Pte. Ltd. (l)	760	760
Foo & Associates Pte. Ltd.	5,500	5,500
New Dental Centre Pte. Ltd. (b)(l)	–(a)	–(a)
Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd.	3,800	3,800
TP Dental Surgeons Pte. Ltd.	28,600	28,600
Aesthetics Dental Surgery Pte. Ltd.	4,000	4,000
Shenyang Q & M Management Consulting Co. Ltd. (c)(i)(k)	411	411
Q & M Dental Group (China) Pte. Ltd.	299	99
Q & M Dental Holdings (Shenzhen) Pte. Ltd. (incorporated on 21 June 2016) (l)	–(a)	–(a)
Q & M Dental Holdings (Malaysia) Pte. Ltd. (incorporated on 7 June 2017) (l)	–(a)	–

14. Investment in subsidiaries (cont'd)

Name of Subsidiaries	Cost in books of Group	
	2017	2016
	$'000	$'000
Held through subsidiaries		
Dentmedix Pte. Ltd. (e)	164	164
Quantumleap Healthcare Pte. Ltd. (e)	150	150
Q & M Dental Surgery (Bandar Puteri Puchong) Sdn. Bhd. (h)(j)	30	30
Q & M Medical & Aesthetic Clinic (Tampines Central) Pte. Ltd. (f)	50	50
Q & M Medical Aesthetic & Laser Centre Pte. Ltd. (f)	–	50
Q & M Medical & Aesthetic Clinic (Serangoon Garden) Pte. Ltd. (b)	50	50
Q & M Medical & Aesthetic Clinic (Farrer Park) Pte. Ltd.(f)	80	80
Q & M Medical Clinic (Raffles Place) Pte. Ltd. (b)	50	50
The Digestive & Liver Specialist Centre Pte. Ltd. (b)	100	100
The Lung Specialist Centre Pte. Ltd. (b)	100	100
Q & M Medical Clinic (Serangoon Central) Pte. Ltd.(f)	50	50
Q & M Medical Clinic (Bukit Batok) Pte. Ltd. (f)	50	50
Singapore Dental Cadcam Laboratory Pte. Ltd. (g)	–(a)	–(a)
Q & M Medical Aesthetic & Laser Centre (Orchard) Pte. Ltd. (b)(l)	–(a)	–(a)

(a) Cost of investment less than $1,000.
(b) These subsidiaries are dormant.
(c) These subsidiaries are investment holding companies.
(d) The principal activities of the subsidiary are investment holding and provision of services related to the dental laboratory business.
(e) The subsidiary is principally engaged in trading of dental surgery materials and equipment.
(f) The subsidiary is principally engaged in the provision of general medical services.
(g) The subsidiary is principally engaged in manufacturing and exporting of porcelain crown, bridges and dentures.
(h) Audited by other independent auditors, GEP Associates, a firm of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member.
(i) Audited by other independent auditors, Liaoning Zhong Cheng CPAs, a firm of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member.
(j) Incorporated in Malaysia.
(k) Incorporated in People's Republic of China.
(l) Not audited, as it is immaterial.
(m) Redeemable preference shares
(n) The subsidiary was previously owned by Aoxin Q & M Dental Group Limited ("Aoxin Q & M"). In April 2016, Q & M Aidite International Pte. Ltd. was transferred from Aoxin Q & M to the Company and it becomes a direct subsidiary of the Company.

14. Investment in subsidiaries (cont'd)

The subsidiaries that have non-controlling interests are listed below:

Name of Subsidiaries	Cost in books of Group		Effective percentage of equity held by Group	
	2017	2016	2017	2016
	$'000	$'000	%	%
Held by Company				
Shanghai Chuangyi Investment and Management Co., Ltd. (g)(j)(q)	2,478	–	80	–
Held through subsidiaries				
Shanghai Q & M Investment Management & Consulting Co., Ltd. (b)(g)(p)	334	334	99	99
Q & M Dental Surgery (Molek) Sdn. Bhd. (h)(p)	443	443	70	70
Q & M Dental Surgery (Austin) Sdn. Bhd. (h)(p)	29	29	70	70
Q & M Dental Surgery (Kota Damansara) Sdn. Bhd. (h)(i)	33	33	80	80
D & D Dental Sdn. Bhd. (h)(i)	339	339	70	70
Shanghai Chuangyi Investment and Management Co., Ltd. (g)(j)	–	1,873	–	80
Shanghai Kangyi Dental Polyclinic Co., Ltd. (g)(j)	216	216	80	80
AR Dental Supplies Sdn. Bhd. (c)(h)(i)	3,377	3,377	70	70
Q & M Dental (Shenyang) Pte. Ltd. (a)	21,075	21,075	60	60
NG GK Dental Surgery (Melaka) Sdn. Bhd. (h)(i)	190	190	70	70
Shenyang Aoxin Q & M Stomatology Hospital Co., Ltd. (g)(k)(m)(n)(o)	–	610	–	60
Shenyang Xinao Hospital Mangement Co., Ltd. (g)(k)(m)(n)(o)	–	1,220	–	60
Shenyang Heping Q & M Aoxin Stomatology Polyclinic Co., Ltd. (g)(k)(m)(n)(o)	–	203	–	60
Huludao City Aoxin Stomatology Co., Ltd. (g)(k)(m)(n)(o)	–	102	–	60
Huludao Aoxin Q & M Stomatology Hospital Co., Ltd. (g)(k)(m)(n)(o)	–	203	–	60
Shenyang Quanxin Medical Equipment Leasing Co., Ltd. (e)(g)(k)(m)(n)(o)	–	6,218	60	60
QA Healthcare Solutions Pte. Ltd. (f)	100	100	51	51
Panjin Jinsai Q & M Stomatology Co., Ltd. (g)(k)(n)(o)	–	746	–	36
Panjin Jingcheng Q & M Stomatology Co., Ltd. (g)(k)(n)(o)	–	1,097	–	36
Gaizhou City Aoxin Q & M Stomatology Hospital Co., Ltd. (g)(k)(n)(o)	–	250	–	36
Shenyang Maotai Q & M Medical Equipment Co., Ltd. (e)(g)(k)(n)(o)	–	822	–	36
Shenyang Quanao Medical Investment Management Co., Ltd. (a)(g)(k)(n)(o)	–	2	–	99

14. Investment in subsidiaries (cont'd)

(a) These subsidiaries are investment holding companies.
(b) The principal activities of the subsidiary are the provision of consultancy services.
(c) The subsidiary is principally engaged in trading of dental surgery materials and equipment.
(d) The subsidiary is principally engaged in manufacturing and trading of medical and dental instruments and supplies.
(e) The subsidiary is principally engaged in the leasing of dental equipment.
(f) The subsidiary is principally engaged in the development of dental healthcare software and equipment.
(g) Incorporated in People's Republic of China.
(h) Incorporated in Malaysia.
(i) Audited by other independent auditors, GEP Associates, a firm of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member.
(j) Audited by other independent auditors, Shanghai Daohe CPA Partnership, a firm of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member.
(k) Audited by RSM China CPAs, a member firm of RSM International of which RSM Chio Lim LLP in Singapore is a member.
(l) Audited by other independent auditors, China Audit Asia Pacific CPAs, a firm of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member.
(m) Collectively known as Aoxin Stomatology group of companies (Note 16A).
(n) Collectively known as Aoxin Q & M group of companies.
(o) The subsidiary was deconsolidated on 26 April 2017. See Note 2C.
(p) Not audited, as it is immaterial.
(q) The subsidiary was previously owned by Aoxin Q & M Dental Group Limited ("Aoxin Q & M"). On 30 March 2017, Shanghai Chuangyi Investment and Management Co., Ltd. was transferred from Aoxin Q & M to the Company and it becomes a direct subsidiary of the Company.

All subsidiaries are engaged in the provision of dental services unless otherwise disclosed above.

Save as disclosed above, all other subsidiaries in Singapore are audited by RSM Chio Lim LLP.

As is required by Rule 716 of the Listing Manual of The Singapore Exchange Securities Trading Limited the audit committee and the board of directors of the Company have satisfied themselves that the appointment of different auditors for certain of its overseas subsidiaries would not compromise the standard and effectiveness of the audit of the Group.

14. Investment in subsidiaries (cont'd)

There are subsidiaries that have non-controlling interests that are considered material to the reporting entity and additional disclosures on them (amounts before inter-company eliminations) are presented below.

	Group	
	2017	2016
	$'000	$'000
Name of the component: Aoxin Q & M Group of Companies		
The (loss) profit allocated to non-controlling interests of the subsidiary during the reporting year	(239)	1,582
Accumulated non-controlling interests of the subsidiary at the end of the reporting year	– [a]	6,513
The summarised financial information of the subsidiary (not adjusted for the percentage ownership held by the Group and amounts before inter-company eliminations) is as follows:		
Current assets	– [a]	10,323
Non-current assets	– [a]	8,878
Current liabilities	– [a]	(5,003)
Revenue	6,205	18,201
(Loss) profit for the reporting year	(528)	3,663
Total comprehensive (loss) income	(528)	3,663
Operating cash inflows	– [a]	(1,995)
Net increase in cash flows	– [a]	458

(a) The subsidiary was deconsolidated on 26 April 2017.

	Group	
	2017	2016
	$'000	$'000
Name of the subsidiary: Aidite (Qinhuangdao) Technology Co., Ltd.		
The profit allocated to non-controlling interests of the subsidiary during the reporting year	–	3,467
Accumulated non-controlling interests of the subsidiary at the end of the reporting year	–	– [b]
The summarised financial information of the subsidiary (not adjusted for the percentage ownership held by the Group and amounts before inter-company eliminations) is as follows:		
Current assets	–	– [b]
Non-current assets	–	– [b]
Current liabilities	–	– [b]
Revenue	–	22,487
Profit for the reporting year	–	6,597
Total comprehensive income	–	6,597
Operating cash inflows	–	– [b]
Net increase in cash flows	–	– [b]

(b) The subsidiary was deconsolidated on 30 December 2016.

15. Investment in associates

	Group		Comapny	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Movements in carrying value:				
Balance at beginning of the year	39,812	15	–	–
Addition (Note 28)	32,692 [c]	39,797 [a]	32,692 [c]	–
Disposal [d]	(1,941)	–	–	–
Foreign currency translation adjustment	(232)	–	–	–
Share of the profit for the year [e]	3,950	– [b]	–	–
Balance at end of the year	74,281	39,812	32,692	–
Carrying value:				
Unquoted equity shares at cost	74,281	39,812	32,692	–
	74,281	39,812	32,692	–

(a) The fair value (level 2) of the investment in Aidite (Qinhuangdao) Technology Co., Ltd. ("Aidite Qinhuangdao") was estimated using the placement price of Aidite Qinhuangdao shares via the quotation on the National Equities Exchange and Quotations of the People's Republic of China ("New Third Board").

(b) Aidite Qinhuangdao was deconsolidated on 30 December 2016. Their full year results have been consolidated into the Group's result. Accordingly, no share of profit was accounted for the year ended 31 December 2016.

(c) The fair value (level 1) of the investment in Aoxin Q & M Dental Group Limited ("Aoxin Q & M") was determined using the issue price of $0.20 per share.

(d) On 15 November 2017, the Group completed the sale of 4.1% of the total preference shareholding of Q & M Aidite International Pte. Ltd. to All Win Investment Holdings Pte. Ltd. ("All Win"), Full Win Investment Holdings Pte. Ltd. ("Full Win") and Initial Capital Investment Pte. Ltd. ("Initial Capital"). This represents approximately 1.98% in Aidite Qinhuangdao. Accordingly, the Group's interest in Aidite Qinhuangdao reduced from 38.17% to 36.19%. All Win and Full Win are owned by certain dentists of the Group. As the sale was completed towards the end of the reporting year, All Win, Full Win and Initial Capital agreed to waive their rights to the pre-acquisition profits of Aidite Qinhuangdao before 15 November 2017.

(e) See 15(d) above and Note 26E for more information. For the year ended 31 December 2017, the Group accounted for 48.25% share of profits from Aidite Qinhuangdao instead of its effective interests of 36.19%.

15. Investment in associates (cont'd)

The associates held by the Group are listed below:

Name of associates	Percentage of equity held by the Group	
	2017	2016
	%	%
Held by Company		
Aoxin Q & M Dental Group Limited ("Aoxin Q & M") (ii)(iv) Singapore Provision of private dental services and dental equipments and supplies (RSM Chio Lim LLP)	43.92	–
Held through subsidiaries		
Punggol Medical & Dental Pte. Ltd. (i) Singapore Provision of general medical services (RSM Chio Lim LLP)	50.0	50.0
Aidite (Qinhuangdao) Technology Co., Ltd. ("Aiditie Qinhuangdao") (iii) People's Republic of China ("PRC") Manufacturing and trading of medical and dental instruments and supplies. (China Audit Asia Pacific CPAs, PRC)	36.19	38.17

(i) Not considered material to the Group. The Group's share of net assets was less than $15,000 as at end of the reporting year.
(ii) Listed on stock exchange. The fair value is $34,327,000 as at 31 December 2017.
(iii) Other independent auditor. Audited by firms of accountants other than member firms of RSM International of which RSM Chio Lim LLP in Singapore is a member. Their names are indicated above.
(iv) On 14 July 2017, Aoxin Q & M issued 16,346,000 ordinary shares for cash of $0.12 each, thus diluted the Group's shareholding from 45.94% to 43.92%.

15. Investment in associates (cont'd)

There are associates that are considered material to the reporting entity. The summarised financial information of each of the material associate and the amounts (and not the reporting entity's share of those amounts) based on the financial statements of the associates are as follows.

	2017 $'000	2016 $'000
Aoxin Q & M		
Revenue	20,571	–
Profit from continuing operations	997	–
Other comprehensive loss	(393)	–
Total comprehensive income	630	–
Current assets	23,597	–
- Includes cash and cash equivalents	19,467	–
Current liabilities – trade and other payables	(6,113)	–
Non-current assets	30,997	–
Non-current liabilities	(132)	–
Net assets of the associate	48,349	–
Interest at 43.92%	21,235	–
Goodwill	11,918	–
Other adjustments	143	–
Carrying amount of the interest in the associate	33,296	–

	2017 $'000	2016 $'000
Aidite Qinhuangdao		
Revenue	31,540	22,456
Profit from continuing operations and total comprehensive income	6,936	5,278
Current assets	28,511	21,296
- Includes cash and cash equivalents	7,274	6,643
Current liabilities – trade and other payables	(5,959)	(3,529)
Non-current assets	8,166	7,410
Non-current liabilities	(125)	(128)
Net assets of the associate	30,593	25,049

	2017 $'000	2016 $'000
Interest at 36.19% (2016: 38.17%)	11,072	9,561
Goodwill	28,997	30,236
Other adjustments [(a)]	901	–
Carrying amount of the interest in the associate	40,970	39,797

(a) Included the additional share of profits from Aidite Qinhuangdao. See Note 15(e).

There are no significant restrictions on the ability of the major associates to transfer funds to the Group in the form of cash dividends.

16. Intangible assets

	Group	
	2017	2016
	$'000	$'000
Goodwill (Note 16A)	51,540	72,826
Other intangible assets (Note 16B)	1,913	2,722
	53,453	75,548

16A. Goodwill

	Group	
	2017	2016
	$'000	$'000
Cost:		
Balance at beginning of the year	76,914	73,627
Addition	–	49
Arising from acquisition of subsidiaries (Note 27)	428	14,354
Arising from deconsolidation of subsidiary (Note 28)	(20,098)	(11,100)
Effect of movement in exchange rate	(5)	(16)
Balance at end of the year	57,239	76,914
Accumulated impairment:		
Balance at beginning of the year	(4,088)	–
Impairment loss recognised in the year included in other losses	(1,611)	(4,088)
Balance at end of the year	(5,699)	(4,088)
Net book value at end of the year	51,540	72,826

16. Intangible assets (cont'd)

16A. Goodwill (cont'd)

Goodwill is allocated to cash-generating units for the purpose of impairment testing. Each of those cash-generating units represents the Group's investment by the subsidiary as follows:

	Group	
	2017	2016
	$'000	$'000
Name of the subsidiary		
Primary healthcare:		
Q & M Dental Surgery (Molek) Sdn. Bhd.	269[a]	264
Dentigiene Dental Surgery Pte. Ltd.	490	490
D & D Dental Sdn. Bhd.	126[a]	122
Shanghai Chuangyi Investment and Management Co., Ltd.	1,655[a]	1,655
Q & M Medical & Aesthetic Clinic (Farrer Park) Pte. Ltd.	10[a]	10[a]
NG GK Dental Surgery (Melaka) Sdn. Bhd.	144[a]	139
Foo & Associate Pte. Ltd.	5,411	5,411
Aoxin Stomatology group of companies	–	17,694
TP Dental Surgeons Pte. Ltd.	27,545	27,545
Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd.	3,386	3,386
Aesthetics Dental Surgery Pte. Ltd.	3,857	3,857
Panjin Jingcheng Q & M Stomatology Co., Ltd.	–	931
Panjin Jinsai Q & M Stomatology Co., Ltd.	–	623
Gaizhou City Aoxin Q & M Stomatology Hospital Co., Ltd.	–	199
Lee & Lee (Dental Surgeons) Pte. Ltd.	8,641	8,641
Ho Dental Surgery (Marine Parade) Pte. Ltd.	1,660	1,660
Jurong Point Dental Centre Pte. Ltd.	1,280	1,280
British Dental Surgery Pte. Ltd.	356[a]	356
QA Healthcare Solutions Pte. Ltd.	49[a]	49[a]
Q & M Dental Surgery (Bandar Puteri Puchong) Sdn. Bhd.	78[a]	–
Q & M Dental Surgery (Khatib) Pte. Ltd.	350[a]	–
Sub-total	55,307	74,312
Dental equipment & supplies distribution:		
AR Dental Supplies Sdn. Bhd.	1,932[a]	1,932
Shenyang Mao Tai Q & M Medical Equipment Co., Ltd.	–	670
Sub-total	1,932	2,602
	57,239	76,914

(a) The goodwill is not tested for impairment as the carrying value, net of impairment is not material.

16. Intangible assets (cont'd)

16A. Goodwill (cont'd)

The goodwill was tested for impairment at the end of the reporting year. An impairment loss is the amount by which the carrying amount of an asset or a cash-generating unit exceeds its recoverable amount. The recoverable amount of an asset or a cash-generating unit ("CGU") is the higher of its fair value less costs of disposal or its value-in-use. The recoverable amounts of cash-generating units have been measured based on its value-in-use method. The value is regarded as the lowest level for fair value measurement as the valuation includes inputs for the asset that are not based on observable market data (unobservable inputs).

The value-in-use was measured by management. The key assumptions for the value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using post-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGUs. The growth rates are based on industry growth forecasts. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market. The value-in-use is a recurring fair value measurement (level 3). The quantitative information about the value-in-use measurement using significant unobservable inputs for the cash-generating unit are consistent with those used for the measurement last performed, and is analysed as follows:

The Group prepares cash flow forecasts derived from the most recent financial budgets approved by management for the next 5 years. Management forecasted the revenue growth rates and discount rates as follows:

2017	Revenue growth rate	Discount rate
	%	%
Name of the subsidiaries		
Primary healthcare:		
Dentigiene Dental Surgery Pte. Ltd.	6	11
Foo & Associates Pte. Ltd.	5	11
Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd.	7	11
TP Dental Surgeons Pte. Ltd.	6	11
Aesthetics Dental Surgery Pte. Ltd.	5	11
Lee & Lee (Dental Surgeons) Pte. Ltd.	6 from 2018 to 2019 and 5 for subsequent years	11
Ho Dental Surgery (Marina Parade) Pte. Ltd.	5	11
Jurong Point Dental Centre Pte. Ltd.	5	11

Management forecasts the terminal growth rates at 2%.

16. Intangible assets (cont'd)

16A. Goodwill (cont'd)

Primary healthcare:
Actual outcomes could vary from these estimates. If the revised estimated revenue growth rate at the end of the reporting year had been a range of 1 to 3 percent point less favourable than management's estimates at the end of the reporting year, there would be a need to reduce the carrying value of goodwill by $2,420,000. If the revised estimated discount rate applied to the discounted cash flows had been 1 percent point less favourable than management's estimates, there would be a need to reduce the carrying value of goodwill by $2,474,000.

The goodwill was tested for impairment in December 2017. Due to increased competition in the market, the management has revised the cash flow forecasts for primary healthcare cash-generating units. The carrying amount of certain cash-generating units have therefore been reduced to its recoverable amount through the recognition of an impairment loss against goodwill of $1,611,000 in 2017.

2016	Revenue growth rate	Discount rate
	%	%
Name of the subsidiaries		
Primary healthcare:		
Q & M Dental Surgery (Molek) Sdn. Bhd.	10	12
Dentigiene Dental Surgery Pte. Ltd.	5 from 2017 to 2019 and 3 for subsequent years	11
NG GK Dental Surgery (Melaka) Sdn. Bhd.	No growth in 2017 and 5 for subsequent years	12
D & D Dental Sdn. Bhd.	30 in 2017 and 5 for subsequent years	12
Shanghai Chuangyi Investment and Management Co., Ltd.	7.5 in 2017, 7 from 2018 to 2019 and 6 for subsequent years	13
Foo & Associates Pte. Ltd.	5	11
Aoxin Stomatology group of companies	14	13
Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd.	5	11
TP Dental Surgeons Pte. Ltd.	6 from 2017 to 2018 and 5 for subsequent years	11
Aesthetics Dental Surgery Pte. Ltd.	5 from 2017 to 2019 and 2 for subsequent years	11
Lee & Lee (Dental Surgeons) Pte. Ltd.	5	11
Ho Dental Surgery (Marina Parade) Pte. Ltd.	5	11
Jurong Point Dental Centre Pte. Ltd.	5	11
British Dental Surgery Pte. Ltd.	5	11
Panjin Jingcheng Q & M Stomatology Co., Ltd.	5 from 2017 to 2018 and 3 for subsequent years	13
Panjin Jinsai Q & M Stomatology Co., Ltd.	8	13

16. Intangible assets (cont'd)

16A. Goodwill (cont'd)

2016	Revenue growth rate	Discount rate
	%	%
Name of the subsidiaries		
Primary healthcare:		
Gaizhou City Aoxin Q & M Stomatology Hospital Co., Ltd.	8	13
Dental equipment & supplies distribution:		
Shenyang Mao Tai Q & M Medical Equipment Co., Ltd.	8 from 2017 to 2018 and 6 for subsequent years	13
AR Dental Supplies Sdn. Bhd.	6 in 2017 and 5 for subsequent years	12

Management forecasts the terminal growth rates at 2%.

Primary healthcare:
Actual outcomes could vary from these estimates. If the revised estimated revenue growth rate at the end of the reporting year had been 4 percent point less favourable than management's estimates at the end of the reporting year, there would be a need to reduce the carrying value of goodwill by $4,433,000. If the revised estimated discount rate applied to the discounted cash flows had been 1 percent point less favourable than management's estimates, the recoverable amount of the cash-generating unit would reduce by $2,519,000. However, the recoverable amount will still be higher than the carrying amount of goodwill.

Dental equipment & supplies distribution:
Actual outcomes could vary from these estimates. If the revised estimated revenue growth rate at the end of the reporting year had been 2 percent point less favourable than management's estimates at the end of the reporting year, there would be a need to reduce the carrying value of goodwill by $173,000. If the revised estimated discount rate applied to the discounted cash flows had been 1 percent point less favourable than management's estimates, the recoverable amount of the cash-generating unit would reduce by $41,000. However, the recoverable amount will still be higher than the carrying amount of goodwill.

The goodwill was tested for impairment in December 2016. Due to increased competition in the market, the management has revised the cash flow forecasts for primary healthcare and dental equipment and supplies distribution cash-generating units. The carrying amount of certain cash-generating units have therefore been reduced to its recoverable amount through the recognition of an impairment loss against goodwill of $4,088,000 in 2016.

16. Intangible assets (cont'd)

16B. Other intangible assets

	Development costs	Customer lists	Total
	$'000	$'000	$'000
Cost:			
At 1 January 2016, as restated	723	3,159	3,882
Additions	1,156	1,194	2,350
Arising from deconsolidation of subsidiary (Note 28)	(1,742)	(1,159)	(2,901)
Written off	(138)	–	(138)
Foreign currency translation adjustment	1	(11)	(10)
At 31 December 2016	–	3,183	3,183
Arising from deconsolidation of subsidiary (Note 28)	–	(794)	(794)
Foreign currency translation adjustment	–	2	2
At 31 December 2017	–	2,391	2,391
Accumulated amortisation and impairment:	–		
At 1 January 2016	–	451	451
Amortisation for the year	–	263	263
Arising from deconsolidation of subsidiary (Note 28)	–	(296)	(296)
Impairment for the year	–	54	54
Foreign currency translation adjustment	–	(11)	(11)
At 31 December 2016	–	461	461
Amortisation for the year	–	203	203
Arising from deconsolidation of subsidiary (Note 28)	–	(192)	(192)
Foreign currency translation adjustment	–	6	6
At 31 December 2017	–	478	478
Net book value:			
At 1 January 2016	723	2,708	3,431
At 31 December 2016	–	2,722	2,722
At 31 December 2017	–	1,913	1,913

17. Assets held for sale under FRS 105

During the reporting year ended 31 December 2014, the Group decided to dispose its interest in the associate, Q & M Dental (Shanghai) Pte. Ltd.. During that period, the Group lost its significant influence over the entity. The results were not equity accounted (they were not material). The investment is at cost less impairment losses.

As at 31 December 2017, the Group is however still finalising the disposal consideration and terms of the disposal for Q & M Dental (Shanghai) Pte. Ltd. through arbitration under the rules of the Singapore International Arbitration Centre.

	2017	2016
	$'000	$'000
Assets held for sale:		
Investments at cost	1,584	1,584
Less impairment loss included in the losses in profit or loss	(1,584)	–
Company value in statement of financial position	–	1,584

The impairment loss was made as there is uncertainty in the time taken to conclude the case and recover the amount.

18. Inventories

	Group 2017 $'000	Group 2016 $'000	Company 2017 $'000	Company 2016 $'000
Finished goods	3,202	4,281	–	–
Dental supplies	3,266	3,333	–	–
	6,468	7,614	–	–
Movement in provision for impairment:				
Balance at beginning of the year	–	–	–	–
Impairment loss recognised in the year included in other losses	(97)	–	–	–
Balance at end of the year	(97)	–	–	–

Certain inventories are pledged as security for bank facilities (See Note 26)

19. Trade and other receivables

	Group 2017 $'000	Group 2016 $'000	Company 2017 $'000	Company 2016 $'000
Current				
Trade receivables:				
Outside parties	5,863	7,513	604	–
Subsidiaries (Note 3)	–	–	21,494	14,460
Less allowance for impairment	(77)	–	(1,050)	(1,050)
Net trade receivables - sub-total	5,786	7,513	21,048	13,410
Other receivables:				
Subsidiaries (Note 3)	–	–	36,581	60,998
Less allowance for impairment	–	–	(6,771)	(2,991)
Deposits to secure services	4,145	3,904	111	242
Receivable for remaining proceeds from disposal of assets held for sale	785	725	-	-
Receivable from vendors of subsidiaries	-	1,066	-	-
Capital contribution receivable from non-controlling shareholders of subsidiaries	–	5,360	–	–
Income tax recoverable	244	101	–	25
Other receivables	5,856	5,256	816	1,269
Less allowance for impairment	(1,216)	–	–	–
Net other receivables - sub-total	9,814	16,412	30,737	59,543
Total trade and other receivables	15,600	23,925	51,785	72,953
Non-Current:				
Other receivables	1,438	289	1,356	200

19. Trade and other receivables (cont'd)

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
The non-current portion is receivable as follows:				
Within 2 to 5 years	518	289	436	200
More than 5 years	920	–	920	–
Total non-current portion	1,438	289	1,356	200
Other receivables include the following unsecured loans to certain dentists and employees of the Group:				
Non-interest bearing loan	436	200	436	200
Interest bearing loans	1,130	97	920	–
	1,566	297	1,356	200

Interest bearing loans of $210,000 (2016: $97,000) for certain dentist are repayable monthly over 3 to 7 years, commencing from the date of appointment of the dentists concerned. Interest is charged at 5% per annum, subject to review annually.

Interest bearing loans of $920,000 (2016: $Nil) for certain employees are repayable at the end of 6 years or earlier. Interest is charged at 3% per annum.

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Movements in above allowance on trade receivables:				
Balance at beginning of the year	–	–	1,050	–
Charge for trade receivables to profit or loss included in other losses	77	–	–	1,050
Balance at end of the year	77	–	1,050	1,050
Movements in above allowance on other receivables:				
Balance at beginning of the year	–	–	2,991	420
Charge for other receivables to profit or loss included in other losses	1,216	–	3,780	2,571
Balance at end of the year	1,216	–	6,771	2,991

20. Other assets

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Non-Current:				
Sign-on bonus	757	840	–	–
Assignment fees	153	171	161	76
Shares held in trust [(a)]	7,315	5,360	–	–
Non-Current, total	8,225	6,371	161	76
Current:				
Prepayments	2,837	2,783	734	752
Sign-on bonus	342	405	36	80
Assignment fees	18	18	–	–
Current, total	3,197	3,206	770	832

20. Other assets (cont'd)

(a) This refers to 12.05% interests in Aidite (Qinhuangdao) Technology Co., Ltd. ("Aidite Qinhuangdao") held in trust for Q & M Professionals Holding Pte Ltd, a company owned by certain key executives and dentists of the Group, Dr Cheah Kim Fee, All Win Investment Holdings Pte. Ltd., Full Win Investment Holdings Pte. Ltd. and Initial Capital Investment Pte. Ltd.. Refer to Note 26E.

21. Cash and cash equivalents

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Not restricted in use	37,040	44,091	10,458	10,077
Cash at the end of the year	37,040	44,091	10,458	10,077
Interest earning balances	3,349	10,329	2,037	7,037

The interest earned from the interest earning balances was not significant.

21A. Reconciliation of liabilities arising from financing activities:

	2016	Cash flows	Non-cash changes		2017
	$'000	$'000	$'000		$'000
Long-term borrowings	69,269	(11)	(44,824)	(a)	24,434
Short-term borrowings	15,510	(192)	45,154	(b)	60,472
Total liabilities from financing activities	84,779	(203)	330		84,906

	2015	Cash flows	Non-cash changes		2016
	$'000	$'000	$'000		$'000
Long-term borrowings	63,802	102	5,365	(c)	69,269
Short-term borrowings	15,651	(141)	–		15,510
Total liabilities from financing activities	79,453	(39)	5,365		84,779

(a) Mainly due to reclassification of medium term note from non-current to current and also re-financing of certain bank loans resulted in presenting certain bank loans as non-current instead of current.

(b) Due to the reasons stated in (a) above and unwinding of amortised costs on medium term note of $330,000.

(c) Mainly due to outstanding proceeds from issuance of redeemable preference shares of $5,360,000.

22. Share capital

	Number of ordinary shares		Amount	
	Share capital	Treasury shares	Share capital	Treasury shares
Group and Company:	'000	'000	$'000	$'000
Ordinary shares of no par value:				
Balance at beginning of the year 1 January 2016	795,311	(1,038)	80,089	(727)
Issue of share at $0.711 cents each [(a)]	2,812	–	2,000	–
Issue of share at $0.720 cents each [(b)]	6,764	–	4,870	–
Share buyback [(c)]	–	(7,285)	–	(5,068)
Share issue expenses	–	–	(201)	–
Balance at end of the year 31 December 2016	804,887	(8,323)	86,758	(5,795)
Issue of share at $0.720 cents each[(d)(e)]	–	585	–	421
Share buyback [(c)]	–	(2,281)	–	(1,461)
Balance at end of the year 31 December 2017	804,887	(10,019)	86,758	(6,835)

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income.

(a) On 8 March 2016, the Company issued 2,812,938 new ordinary shares at $0.711 each as the consideration shares to Dr. Tan Hwee Hiang and Dr. Teh Kiat Seong for the acquisition of Aesthetics Dental Surgery Pte. Ltd..

(b) On 19 April 2016, the Company issued 6,763,888 new ordinary shares at $0.72 each as the consideration shares to Dr. Ramaswamy Sreeghandhan, Dr. Choo Keang Hai, Dr Ronald Tan Hwa Ann and Dr. Fang Chui-Yun Mabel for the acquisition of Lee & Lee (Dental Surgeons) Pte. Ltd..

(c) Treasury shares relate to ordinary shares of the Company that are held by the Company. Pursuant to the share buyback mandate approved by shareholders, the Company purchased 2,280,500 (2016: 7,285,600) of its shares by way of on-market purchases at share prices ranging from $0.61 to $0.65 (2016: $0.65 to $0.70). The total amount paid or payable to purchase shares was $1,461,000 (2016: $5,068,000) and this is presented as a component within equity attributable to equity holders of the Company.

(d) On 9 March 2017, the Company transferred 466,666 ordinary shares from its treasury shares as consideration shares to Dr. Ho Chuk Ping for the acquisition of Ho Dental Surgery.

(e) On 30 April 2017, the Company transferred 118,055 ordinary shares from its treasury shares as consideration shares to Dr. Markandoo Sivakumaran for the acquisition of British Dental Surgery Pte. Ltd..

22. Share capital (cont'd)

Capital management:

The objectives when managing capital are: to safeguard the reporting entity's ability to continue as a going concern, so that it can continue to provide returns for owners and benefits for other stakeholders, and to provide an adequate return to owners by pricing the sales commensurately with the level of risk. The management sets the amount of capital to meet its requirements and the risk taken. There were no changes in the approach to capital management during the reporting year. The management manages the capital structure and makes adjustments to it where necessary or possible in the light of changes in conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the management may adjust the amount of dividends paid to owners, return capital to owners, issue new shares, or sell assets to reduce debt. Adjusted capital comprises all components of equity.

The management monitors the capital on the basis of the debt-to-adjusted capital ratio. This ratio is calculated as net debt / adjusted capital (as shown below). Net debt is calculated as net total borrowings less cash and cash equivalents. Adjusted capital comprises of all components of equity, that is, its total equity.

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Net debt:				
Other financial liabilities	86,861	84,779	74,950	74,620
Less: Cash and cash equivalents	(37,040)	(44,091)	(10,458)	(10,077)
Net debt	49,821	40,688	64,492	64,543
Adjusted capital:				
Total equity	113,867	122,043	91,490	87,997
Adjusted capital	113,867	122,043	91,490	87,997
Debt-to-adjusted capital ratio	43.8%	33.3%	70.5%	73.3%

The unfavourable change of the Group as shown by increase in the debt-to-adjusted capital ratio for the reporting year resulted primarily from the increase in net debt and the decrease in total equity.

The management does not set a target level of gearing but uses capital opportunistically to support its business and to add value for shareholders. The key discipline adopted is to widen the margin between the return on capital employed and the cost of that capital.

In order to maintain its listing on the Singapore Stock Exchange, it has to have share capital with a free float of at least 10% of the shares. The Company met the capital requirement on its initial listing and the rules limiting treasury share purchases mean it will continue to satisfy that requirement, as it did throughout the reporting year. Management receives a report from the share registrars frequently on substantial share interests showing the non-free float to ensure continuing compliance with the 10% limit throughout the reporting year.

23. Other reserves

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Foreign currency translation reserve (Note 23A)	(1,405)	(1,354)	–	–
Other reserves	(200)	–	–	–
Total at end of the year	(1,605)	(1,354)	–	–

23A. Foreign currency translation reserve

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
At beginning of the year	(1,354)	(702)	–	–
Arising from deconsolidation of subsidiary (Note 28)	(712)	231	–	–
Exchange differences on translating foreign operations	661	(883)	–	–
At end of the year	(1,405)	(1,354)	–	–

All reserves classified on the face of the statement of financial position as retained earnings represent past accumulated earnings and are distributable as cash dividends. The other reserves are not available for cash dividends unless realised. The currency translation reserve accumulates all foreign exchange differences.

24. Provisions

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Provision for reinstatement of leased premises	643	615	–	–
Movements in above provision:				
Balance at beginning of the year	615	575	–	–
Additions	76	57	–	–
Used	(48)	(17)	–	–
Balance at end of the year	643	615	–	–

The provision is based on the present value of costs to be incurred to remove leasehold improvements from leased premises. The estimate is based on quotations from external contractors.

25. Trade and other payables

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Trade payables:				
Outside parties and accrued liabilities	12,918	14,662	1,874	1,751
Subsidiaries (Note 3)	–	–	401	836
Trade payables - sub-total	12,918	14,662	2,275	2,587
Other payables:				
Subsidiaries (Note 3)	–	–	3,885	1,820
Deposits received	312	648	–	–
Amount due to vendors of acquired subsidiaries	691	1,841	691	1,000
Amount due to directors of the subsidiaries	922	898	–	–
Amount due to shareholders of the subsidiary	2,131	2,582	2,131	2,131
Other payables	566	351	–	–
Other payables - sub-total	4,622	6,320	6,707	4,951
Total trade and other payables	17,540	20,982	8,982	7,538

26. Other financial liabilities

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Non-Current:				
Bank loans (Note 26A)	19,072	4,276	15,000	–
Finance leases (Note 26B)	2	13	–	–
Medium term note (Note 26D)	–	59,620	–	59,620
Redeemable preference shares (Note 26E)	7,315	5,360	–	–
Non-current, total	26,389	69,269	15,000	59,620
Current:				
Bank loans (Note 26A)	262	15,263	–	15,000
Finance leases (Note 26B)	2	2	–	–
Medium term note (Note 26D)	59,950	–	59,950	–
Bill payable (Note 26C)	258	245	–	–
Current, total	60,472	15,510	59,950	15,000
Total	86,861	84,779	74,950	74,620

The non-current portion is repayable as follows:

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Due within 2 to 5 years	23,370	60,687	15,000	59,620
Due after 5 years	3,019	8,582	–	–
Total non-current portion	26,389	69,269	15,000	59,620

26. Other financial liabilities (cont'd)

The range of floating rate interest rates paid were as follows:

	2017	2016
	%	%
Bank loans	1.98 - 3.62%	1.68 - 4.01%
Bill payable	1.5%	1.5%
The weighted effective interest rates paid were as follows:		
Medium term loan	5.04%	5.04%

The floating debt instruments are with interest rates that are re-set regularly at one, three or six months intervals. The exposure of the borrowings to interest rate changes and the contractual repricing dates at the end of the reporting years was below 6 months.

26A. Bank loans

The bank loans except for the bank loans of the Company are secured or covered by the following:

(a) Corporate guarantee from the Company for loans of the subsidiaries;

(b) First legal assignment at all rights, title and benefits under existing and future tenancy agreements and rental income; and

(c) Legal mortgage over a property (Note 13).

The fair value (level 2) of the bank loans is a reasonable approximation of the carrying amount as it is a floating rate instrument that is frequently re-priced to market interest rates.

26B. Finance leases

Group 2017	Minimum payments $'000	Finance charges $'000	Present value $'000
Minimum lease payments payable:			
Due within one year	2	–	2
Due within 2 to 5 years	2	–	2
Total	4	–	4
Net book value of plant and equipment under finance leases			1

Group 2016	Minimum payments $'000	Finance charges $'000	Present value $'000
Minimum lease payments payable:			
Due within one year	2	–	2
Due within 2 to 5 years	14	(1)	13
Total	16	(1)	15
Net book value of plant and equipment under finance leases			80

26. Other financial liabilities (cont'd)

26B. Finance leases (cont'd)

There are leases for certain of its plant and equipment under finance leases. The average lease term was 3 years (2016: 3 years). The fixed rate of interest for finance leases was ranging from 1.28% to 2.57% (2016: 1.28% to 2.57%) per annum. All leases are on a fixed repayment basis and no arrangements were entered into for contingent rental payments. The obligations under finance leases were secured by the lessor's charge over the leased assets.

The fixed interest rate approximates the market interest rate. The carrying amount of the lease liabilities was not significantly different from the fair value (level 2).

26C. Bill payable

The bills payables of the subsidiary are secured or covered by the following:

(i) Facilities Agreement;
(ii) Corporate guarantee by the Company;
(iii) Jointly and severally guaranteed by certain directors of the subsidiary;
(iv) Negative pledge;
(v) Fixed deposit; and
(vi) Trade Financing General Agreement from the subsidiary.

The bill payables of the Group have maturity period of 90 days (2016: 90 days).

26D. Medium Term Loan

On 19 March 2015, the Company issued $60 million 3-year Medium Term Note ("MTN") due on 18 March 2018 pursuant to the $200 million Multicurrency Medium Term Note Programme established on 23 November 2013. The amount of $59,950,000 as at the end of financial year represented the notes stated at amortised cost. Interest at 4.4% per annum is payable semi-annually in arrears. The fixed rate notes are listed on the SGX-ST.

The fair value (Level 1) of the MTN is $60,300,000 (2016: $61,230,000) as at reporting year based on the quoted market price.

The Company is required to comply with certain financial covenants such as:

(i) The consolidated shareholders' equity shall not at any time be less than $40,000,000;

(ii) The ratio of consolidated net debt to consolidated shareholders' equity shall not at any time exceed 1.75:1; and

(iii) The ratio of consolidated earnings before interest, taxes, depreciation and amortisation to consolidated interest expense shall not at any time be less than 1.75:1.

26E. Redeemable preference shares

On 23 December 2016, Q & M Aidite International Pte. Ltd. ("QMAI"), a wholly owned subsidiary of the Company, issued 4,794,000 redeemable preference shares at $1.0968 per share to Q & M Professionals Holding Pte. Ltd. ("QPH"), a company owned by certain key executives and dentists of the Group, 210,936 redeemable preference shares at $0.47 per share to Dr Cheah Kim Fee ("Dr Cheah"), a key executive of the Group, respectively for cash totalling $5,360,000.

On 15 November 2017, both the Group and Dr Cheah sold 982,728 and 10,930 redeemable preference shares at $1.9755 per share to All Win Investment Holdings Pte. Ltd. ("All Win"), Full Win Investment Holdings Pte. Ltd. ("Full Win") and Initial Capital Investment Pte. Ltd. ("Initial Capital"). All Win and Full Win are owned by certain dentists of the Group.

26. Other financial liabilities (cont'd)

26E. Redeemable preference shares (cont'd)

These redeemable preference shares were issued at the valuation which approximate the fair value of the subsidiary at the date of grant.

Each redeemable preference share in QMAI is equivalent to an ordinary shares that QMAI holds in Aidite (Qinhuangdao) Technology Co., Ltd. ("Aidite Qinhuangdao"). During the 6 years commencing from the date of issue, the preference shareholders, have the right to tag-along and redeem its preference shares on a pro-rata basis should the Company redeem their interests in Aidite Qinhuangdao shares. At the end of 31 December 2022, all outstanding preference shares shall be mandatorily and automatically be exchanged into Aidite Qinhuangdao shares, if permitted under the laws of the National Equities Exchange and Quotations of the People's Republic of China ("New Third Board"), or net proceeds received from selling Aidite Qinhuangdao shares. The preference shareholders are not entitled to fixed dividend and do not have the right to vote.

The redeemable preference shares are carried at cost with a corresponding shares in Aidite Qinhuangdao hold in trust for Q & M Professionals Holding Pte. Ltd., Dr Cheah, All Win, Full Win and Initial Capital. See Note 20.

On 27 March 2018, the Group signed a letter of understanding with QPH and Dr Cheah to document the understanding that both QPH and Dr Cheah are not entitled to any dividends declared from Aidite Qinghuangdao.

27. Acquisition of subsidiaries

2017

The Group acquired the business and certain assets of Horizon Dental Surgery and CS Tan Surgery. This enabled the Group to continue the expansion of its main dental business in Singapore and in Malaysia respectively.

The transactions were accounted for by the acquisition method of accounting.

The business combinations during the reporting year are presented separately as follows:

2017: Group

	CS Tan Surgery	Horizon Dental Surgery	Total
	$'000	$'000	$'000
Plant and equipment	21	–	21
Net identifiable assets	21	–	21
Goodwill arising on consolidation	78	350	428
Purchase consideration	99	350	449
Amount payable to vendors of the acquired subsidiaries	(66)	–	(66)
Net cash outflow from acquisition of subsidiaries	33	350	383

27. Acquisition of subsidiaries (cont'd)

The goodwill arising on acquisition of above subsidiaries are attributable to the anticipated profitability of the acquired subsidiaries and the anticipated future operating synergies from the combination.

The goodwill is not deductible for tax purposes.

The contributions from the acquired subsidiaries for the period between the date of acquisition and the statement of financial position date, had the transaction been effected at the beginning of the year were as follows:

2017	Group From date of acquisition in 2017 $'000
Revenue	292
Profit before tax	17

2016

Shenyang Xinao Hospital Management Co., Ltd., an indirect subsidiary of the Group had acquired 60% of the share capital in Panjin Jingcheng Q & M Stomatology Co., Ltd., Panjin Jinsai Q & M Stomatology Co., Ltd., Gaizhou City Aoxin Q & M Stomatology Hospital Co., Ltd. and Shenyang Maotai Q & M Medical Equipment Co., Ltd..

The Group's acquisition of Panjin Jingcheng Q & M Stomatology Co., Ltd., Panjin Jinsai Q & M Stomatology Co., Ltd., Gaizhou City Aoxin Q & M Stomatology Hospital Co., Ltd. allows the Group to add 4 fully operational dental clinics in Liaoning Province, China as part of its PRC expansion plans.

The Group's acquisition of Shenyang Maotai Q & M Medical Equipment Co., Ltd. is in line with the Group's plan to continue the expansion of its dental equipment and supplies distribution business and allows the Group to add an operational distribution company in China.

The Group had also acquired 100% of the share capital in Lee & Lee (Dental Surgeons) Pte. Ltd., British Dental Surgery Pte. Ltd., as well as business assets of Ho Dental Surgery and Jurong Point Dental Surgery Pte. Ltd.. This enabled the Group to continue the expansion of its main dental business locally, allowing the Group to add 6 fully operational dental clinics in Singapore.

27. Acquisition of subsidiaries (cont'd)

The business combinations during the reporting year are presented separately as follows:

2016: Group

	Pre-acquisition book value under FRS								
	Shenyang_ Maotai	Panjin Jingcheng	Panjin Jinsai	Gaizhou City Aoxin	Lee & Lee	Ho Dental	Jurong Dental	British Dental	Total
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Plant and equipment	12	1	1	1	67	–	–	124	206
Intangible assets	87	103	61	8	935	–	–	–	1,194
Inventories	40	–	–	–	135	–	–	–	175
Trade and other receivable	81	2	85	–	808	–	–	232	1,208
Other assets	–	–	–	–	71	–	–	37	108
Income tax recoverable	2	–	–	–	–	–	–	–	2
Cash and cash equivalents	135	259	125	104	810	–	–	25	1,458
Trade and other payables	(7)	(6)	(1)	–	(1,291)	–	–	(14)	(1,319)
Other financial liabilities	–	–	–	–	(4)	–	–	–	(4)
Income tax payables	–	–	–	–	(13)	–	–	–	(13)
Deferred tax liabilities	(22)	(26)	(15)	(2)	(159)	–	–	–	(224)
Net identifiable assets	328	333	256	111	1,359	–	–	404	2,791
Non-controlling interests at fair value	(210)	(213)	(164)	(71)	–	–	–	–	(658)
Goodwill arising on consolidation	668	929	621	199	8,641	1,660	1,280	356	14,354
Purchase consideration	786	1,049	713	239	10,000	1,660	1,280	760	16,487
Amount payable to vendors of the acquired subsidiaries	(841)	–	–	–	–	–	–	–	(841)
Purchase consideration by way of shares	–	–	–	–	(4,870)	(336)	–	(85)	(5,291)
Cash of subsidiaries acquired	(135)	(259)	(125)	(104)	(810)	–	–	(25)	(1,458)
Net cash outflow from acquisition of subsidiaries	(190)	790	588	135	4,320	1,324	1,280	650	8,897

There is no difference between the provisional fair values and the finalised fair value.

27. Acquisition of subsidiaries (cont'd)

The goodwill arising on acquisition of above subsidiaries are attributable to the anticipated profitability of the acquired subsidiaries and the anticipated future operating synergies from the combination.

The goodwill is not deductible for tax purposes.

The Group expect the above pre-acquisition book value under FRS to approximate the provisional fair values. The fair values are provisional as the hindsight period (of not more than 12 months) allowed by FRS 103 Business Combinations has not yet expired. A detailed expert report on the fair values is expected to be available before the end of the next reporting year.

The contributions from the acquired subsidiaries for the period between the date of acquisition and the statement of financial position date and had the transaction been effected at the beginning of the year were as follows:

2016	Group	
	From date of acquisition in 2016	For the reporting year 2016
	$'000	$'000
Revenue	13,652	15,039
Profit before tax	2,001	1,950

28. Deconsolidation of subsidiary

2017

Refer to Note 2C, the Group deconsolidated its subsidiary, Aoxin Q & M Dental Group Limited on 26 April 2017. The Group's equity interest reduced from 100% to 45.94%. The gain on disposal is included in profit or loss. The retained interest in the investee is accounted for in accordance with FRS 28 as an associate whose fair value at the date of disposal was $32,692,000, which was determined using the issue price (level 1). See Note 15.

28. Deconsolidation of subsidiary (cont'd)

The results for the reporting year from disposal of the subsidiary and the results for the previous reporting year and for the period from the beginning of the reporting year to 26 April 2017, which have been included in the consolidated financial statements, were as follows:

	Group	
	2017	2016
	$'000	$'000
Revenue	6,205	18,201
Cost of sales	(2,040)	(5,421)
Interest income	2	10
Employee benefit expenses	(1,846)	(5,117)
Depreciation	(363)	(1,025)
Rental expenses	(306)	(924)
Finance costs	(1)	(125)
Other expenses	(1,699)	(2,745)
Other gains	21	(7)
Profit before tax before disposal	(27)	2,847
Gain on deemed disposal	17,102	-
Profit before tax	17,075	2,847
Income tax expense	(501)	(1,249)
Profit net of tax	16,574	1,598
Profit attributable to owners of the parent, net of tax	16,813	257
(Loss) Profit attributable to non-controlling interests, net of tax	(239)	1,341
	16,574	1,598

28. Deconsolidation of subsidiary (cont'd)

The following table is a summary of the carrying value of the assets and liabilities of the subsidiary at the date when the control is lost:

	Group	
	At date of disposal in 2017	At end of last year 2016
	$'000	$'000
Goodwill	20,098	21,772
Intangible assets	602	662
Plant and equipment	7,324	7,824
Trade and other receivables	2,161	3,560
Other assets	(223)	780
Inventories	1,645	1,451
Cash and cash equivalents	8,281	7,737
Foreign currency translation reserves	(712)	(623)
Deferred tax liabilities	(323)	(169)
Trade and other payables	(4,423)	(23,460)
Income tax payables	(228)	(185)
Other reserves	(4,446)	-
Non-controlling interest	(14,166)	(6,598)
Net assets disposed of	15,590	12,751
Gain on disposal of subsidiary	17,102	
Fair value of remaining shareholding on the date when the control is lost	32,692	
Net cash outflow on disposal:		
Cash balance disposed of	8,281	

28. Deconsolidation of subsidiary (cont'd)

2016

The Group deconsolidated its subsidiary, Aidite (Qinhuangdao) Technology Co., Ltd. on 30 December 2016. The Group's equity interest reduced from 51% to 38.17%. The gain on disposal is included in profit or loss. The retained interest in the investee is accounted for in accordance with FRS 28 as an associate whose fair value at the date of disposal was $39,797,000, which was determined using the placement price (level 2). See Note 15.

The results for the reporting year from disposal of the subsidiary and the results for the previous reporting year and for the period from the beginning of the reporting year to 30 December 2016, which have been included in the consolidated financial statements, were as follows:

	Group	
	2016	2015
	$'000	$'000
Revenue	22,487	16,662
Cost of sales	(8,749)	(6,561)
Interest income	10	6
Employee benefit expenses	(2,437)	(2,081)
Depreciation	(461)	(50)
Rental expenses	–	(25)
Other expenses	(3,368)	(1,789)
Other gains	29	93
Profit before tax before disposal	7,511	6,255
Gain on deemed disposal	21,327	–
Profit before tax	28,838	6,255
Income tax expense	(914)	(1,129)
Profit net of tax	27,924	5,126
Profit attributable to owners of the parent, net of tax	24,457	2,653
Profit attributable to non-controlling interests, net of tax	3,467	2,473
	27,924	5,126

28. Deconsolidation of subsidiary (cont'd)

The following table is a summary of the carrying value of the assets and liabilities of the subsidiary at the date when the control is lost:

	Group	
	At date of disposal in 2016	At end of last year 2015
	$'000	$'000
Goodwill	11,100	11,100
Intangible assets	863	977
Development cost	1,742	723
Plant and equipment	7,410	5,822
Trade and other receivables	5,028	7,592
Other assets	1,170	811
Inventories	8,455	5,059
Cash and cash equivalents	6,643	5,884
Foreign currency translation reserves	231	(196)
Deferred tax liabilities	(128)	(243)
Trade and other payables	(3,089)	(4,881)
Income tax payables	(440)	(346)
Other reserves	(2,051)	-
Non-controlling interest	(18,464)	(10,444)
Net assets disposed of	18,470	21,858
Gain on disposal of subsidiary	21,327	
Fair value of remaining shareholding on the date when the control is lost	39,797	
Net cash outflow on disposal:		
Cash balance disposed of	6,643	

29. Disposal of subsidiary

The Group disposed its subsidiary, Q & M Medical Aesthetic & Laser Centre Pte. Ltd. on 28 November 2017. The gain on disposal is included in profit or loss.

29. Disposal of subsidiary (cont'd)

The results for the reporting year from disposal of the subsidiary and the results for the previous reporting year and for the period from the beginning of the reporting year to 28 November 2017, which have been included in the consolidated financial statements, were as follows:

	Group	
	2017	2016
	$'000	$'000
Revenue	544	874
Cost of sales	(125)	(194)
Employee benefit expenses	(358)	(377)
Depreciation	(51)	(59)
Rental expenses	(247)	(263)
Other expenses	(242)	(270)
Other losses	(2)	(37)
Other gains	–	6
Loss before tax before disposal	(481)	(320)
Gain on deemed disposal	290	–
Loss before tax	(191)	(320)
Income tax expense	–	–
Loss net of tax	(191)	(320)
Loss attributable to owners of the parent, net of tax	(191)	(320)
Loss attributable to non-controlling interests, net of tax	–	–
	(191)	(320)

The following table is a summary of the carrying value of the assets and liabilities of the subsidiary at the date when the control is lost:

	Group	
	At date of disposal in 2017	At end of last year 2016
	$'000	$'000
Plant and equipment	280	329
Trade and other receivables	-	297
Other assets	-	13
Inventories	77	62
Cash and cash equivalents	-	11
Deferred tax liabilities	(42)	(42)
Trade and other payables	(363)	(1,730)
Income tax payables	-	(9)
Net liabilities disposed of	(48)	(1,069)
Net cash outflow on disposal:		
Cash consideration	242	
Cash balance disposed of	-	
Net cash outflow	242	

30. Operating lease income commitments – as lessor

At the end of the reporting year the total of future minimum lease receivables committed under non-cancellable operating leases are as follows:

	Group	
	2017	2016
	$'000	$'000
Not later than one year	629	717
Later than one year and not later than five years	179	533
Rental income for the year	853	1,000

Operating lease income commitments are for certain clinics. The lease rental income terms are negotiated for an average term of three years and rentals are not subject to any escalation clause. There are certain operating leases for the rental of certain office premises with no commitment terms.

31. Operating lease payment commitments – lessee

At the end of the reporting year the total of future minimum lease payment commitments under non-cancellable operating leases are as follows:

	Group	
	2017	2016
	$'000	$'000
Not later than one year	11,890	12,227
Later than one year and not later than five years	12,946	16,166
Later than five years	–	2,850
Rental expense for the year	12,798	12,694

Operating lease payments are for rental payable for certain clinics and office premises. The lease rental terms are negotiated for an average term of three years. Certain of the clinics and office premises are sub-let to others for rental income (see Note 30).

There are certain operating leases for the rental of certain office premises from the owners (related parties) with no commitment terms.

32. Financial instruments: information on financial risks

32A. Categories of financial assets and liabilities

The following table summarises the carrying amount of financial assets and liabilities recorded at the end of the reporting year:

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Financial assets:				
Cash and cash equivalents	37,040	44,091	10,458	10,077
Loans and receivables	16,794	24,113	53,141	73,128
At end of the year	53,834	68,204	63,599	83,205
Financial liabilities:				
Other financial liabilities measured at amortised cost	86,861	84,779	74,950	74,620
Trade and other payables measured at amortised cost	17,540	20,982	8,982	7,538
At end of the year	104,401	105,761	83,932	82,158

Further quantitative disclosures are included throughout these financial statements.

32B. Financial risk management

The main purpose for holding or issuing financial instruments is to raise and manage the finances for the entity's operating, investing and financing activities. There are exposures to the financial risks on the financial instruments such as credit risk, liquidity risk and market risk comprising interest rate and currency risk exposures. Management has certain practices for the management of financial risks. The guidelines set up the short and long term objectives and action to be taken in order to manage the financial risks. The guidelines include the following:

1. Minimise interest rate, currency and market risks for all kinds of transactions.
2. Maximise the use of "natural hedge": favouring as much as possible the natural off-setting of sales and costs and payables and receivables denominated in the same currency and therefore put in place hedging strategies only for the excess balance (if necessary). The same strategy is pursued with regard to interest rate risk.
3. All financial risk management activities are carried out and monitored by senior management staff.
4. All financial risk management activities are carried out following acceptable market practices.

There have been no changes to the exposure to risk; the objectives, policies and processes for managing the risk and the methods use to measure the risk.

32C. Fair values of financial instruments

The analyses of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 are disclosed in the relevant notes to the financial statements. These include the significant financial instruments stated at amortised cost and at fair value in the statement of financial position. The carrying values of current financial instruments approximate their fair values due to the short-term maturity of these instruments and the disclosures of fair value are not made when the carrying amount of current financial instruments is a reasonable approximation of the fair value.

32. Financial instruments: information on financial risks (cont'd)

32D. Credit risk on financial assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations in full or in a timely manner consist principally of cash balances with banks, cash equivalents and receivables. The maximum exposure to credit risk is: the total of the fair value of the financial assets; the maximum amount the entity could have to pay if the guarantee is called on; and the full amount of any payable commitments at the end of the reporting year. Credit risk on cash balances with banks and any other financial instruments is limited because the counter-parties are entities with acceptable credit ratings. For credit risk on receivables an ongoing credit evaluation is performed on the financial condition of the debtors and a loss from impairment is recognised in profit or loss. The exposure to credit risk with customers is controlled by setting limits on the exposure to individual customers and these are disseminated to the relevant persons concerned and compliance is monitored by management. There is no significant concentration of credit risk on receivables, as the exposure is spread over a large number of counter-parties and debtors unless otherwise disclosed in the notes to the financial statements below.

Note 21 discloses the maturity of the cash and cash equivalents balances.

The average credit period generally granted to non-related trade receivable customers is about 30 days (2016: 30 days). The dental and medical centres and clinics do not generally grant credit as services are usually settled in cash, NETS and credit card payments. The trade receivables are mainly NETS and credit card payments that take approximately a few days to settle. Certain subsidiaries engaged in the trading of dental surgery materials and equipment and manufacturing of dental supplies grant credit term of 30 days to 120 days (2016: 30 days to 120 days) to their customers.

Ageing analysis of the age of trade receivable amounts that are past due as at the end of reporting year but not impaired:

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Trade receivables:				
Less than 30 days	684	633	2,518	3,048
31 to 60 days	213	606	–	–
Over 60 days	2,130	2,694	15,558	3,271
Total	3,027	3,933	18,076	6,319

The allowance which is disclosed in Note 19 on trade receivables is based on individual accounts totalling $77,000 (2016: nil) that are determined to be impaired at the end of reporting year. These are not secured.

32. Financial instruments: information on financial risks (cont'd)

32D. Credit risk on financial assets (cont'd)

Concentration of trade receivable customers (excluding associates) as at the end of reporting year:

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Top 1 customer	204	1,073	1,996	1,465
Top 2 customers	408	1,431	3,535	2,849

Save for loans to certain dentists and employees as disclosed in Note 19, other receivables are normally with no fixed terms and therefore there is no maturity.

32E. Liquidity risk – financial liabilities maturity analysis

The following table analyses the non-derivative financial liabilities by remaining contractual maturity (contractual and undiscounted cash flows):

	Less than 1 year	2 – 5 years	More than 5 years	Total
Non-derivative financial liabilities:	$'000	$'000	$'000	$'000
Group				
2017				
Trade and other payables	17,540	–	–	17,540
Gross borrowing commitments	62,356	24,592	3,967	90,915
At end of the year	79,896	24,592	3,967	108,455
2016				
Trade and other payables	20,982	–	–	20,982
Gross borrowing commitments	18,509	61,981	4,317	84,807
At end of the year	39,491	61,981	4,317	105,789

	Less than 1 year	2 – 5 years	More than 5 years	Total
Non-derivative financial liabilities:	$'000	$'000	$'000	$'000
Company				
2017				
Trade and other payables	8,982	–	–	8,982
Gross borrowing commitments	61,747	15,855	–	77,602
At end of the year	70,729	15,855	–	86,584
2016				
Trade and other payables	7,538	–	–	7,538
Gross borrowing commitments	17,854	60,557	–	78,411
At end of the year	25,392	60,557	–	85,949

32. Financial instruments: information on financial risks (cont'd)

32E. Liquidity risk – financial liabilities maturity analysis (cont'd)

The liquidity risk refers to the difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. It is expected that all the liabilities will be paid at their contractual maturity. The average credit period taken to settle trade payables is about 60 days (2016: 60 days). The other payables are with short-term durations. The classification of the financial assets is shown in the statement of financial position as they may be available to meet liquidity needs and no further analysis is deemed necessary. In order to meet such cash commitments the operating activity is expected to generate sufficient cash inflows.

Financial guarantee contracts - For issued financial guarantee contracts the maximum amount of the guarantee is allocated to the earliest period in which the guarantee could be called. At the end of the reporting year no claims on the financial guarantees are expected to be payable. The following table shows the maturity analysis of the contingent liabilities from financial guarantees:

	Less than 1 year
Company	$'000
2017	
Financial guarantee in favour of a subsidiary – given by Company (Note 3)	5,764
At end of the year	5,764
2016	
Financial guarantee in favour of a subsidiary – given by Company (Note 3)	5,764
At end of the year	5,764

Bank facilities:

	2017	2016
Group	$'000	$'000
Unutilised bank overdraft	1,500	1,500
Unutilised fixed advance facilities	2,000	2,000
Unutilised revolving credit facilities	3,197	3,760
Unutilised credit facilities / foreign exchange	2,826	2,692
Unutilised multicurrency medium term note	640,000	140,000
Unutilised non-revolving hire purchase line	1,000	1,000

The undrawn borrowing facilities are available for operating activities and to settle other commitments. Borrowing facilities are maintained to ensure funds are available for the operations. A schedule showing the maturity of financial liabilities and unused bank facilities is provided regularly to management to assist in monitoring the liquidity risk.

32. Financial instruments: information on financial risks (cont'd)

32F. Interest rate risk

The interest rate risk exposure is from changes in fixed interest rates and floating interest rates. The following table analyses the breakdown of the significant financial instruments by type of interest rate:

	Group		Company	
	2017	2016	2017	2016
	$'000	$'000	$'000	$'000
Financial assets with interest:				
Fixed rates	1,130	97	920	–
Floating rates	3,349	10,329	2,037	7,037
Total at end of the year	4,479	10,426	2,957	7,037
Financial liabilities with interest:				
Fixed rates	59,954	59,635	59,950	59,620
Floating rates	19,592	19,784	15,000	15,000
Total at end of the year	79,546	79,419	74,950	74,620

The floating rate debt instruments are with interest rates that are re-set at regular intervals. The interest rates are disclosed in the respective notes.

Sensitivity analysis: The effect on post tax profit is not significant.

32G. Foreign currency risk

Analysis of amounts denominated in non-functional currencies:

Group	Japanese Yen	US dollars	Euro	Total
	$'000	$'000	$'000	$'000
2017				
Financial assets:				
Cash and cash equivalents	–	62	–	62
Loan and receivables	–	65	–	65
Total financial assets	–	127	–	127
Financial liabilities:				
Trade and other payables	(154)	(202)	(793)	(1,149)
Total financial liabilities	(154)	(202)	(793)	(1,149)
Net financial liabilities at end of the year	(154)	(75)	(793)	(1,022)

32. Financial instruments: information on financial risks (cont'd)

32G. Foreign currency risk (cont'd)

Group	Japanese Yen	US dollars	Euro	Total
	$'000	$'000	$'000	$'000
2016				
Financial assets:				
Cash and cash equivalents	–	388	–	388
Loan and receivables	–	65	–	65
Total financial assets	–	453	–	453
Financial liabilities:				
Trade and other payables	(371)	(274)	(419)	(1,064)
Total financial liabilities	(371)	(274)	(419)	(1,064)
Net financial assets/(liabilities) at end of the year	(371)	179	(419)	(611)

Company	US dollars
	$'000
2017	
Financial asset:	
Cash and cash equivalents	62
Total financial assets	62
Financial liabilities:	
Other financial liabilities	–
Total financial liabilities	–
Net financial assets at end of the year	62

Company	US dollars
	$'000
2016	
Financial asset:	
Cash and cash equivalents	67
Total financial assets	67
Financial liabilities:	
Other financial liabilities	–
Total financial liabilities	–
Net financial assets at end of the year	67

There is exposure to foreign currency risk as part of its normal business.

Sensitivity analysis: The effect on pre-tax profit is not significant.

33. Items in profit or loss

In addition to the charges and credits disclosed elsewhere in the notes to the financial statements, this item includes the following expenses:

	Group	
	2017	2016
	$'000	$'000
Audit fees to the independent auditor of the Company	377	429
Audit fees to the other independent auditor	103	143
Other fees to the independent auditor of the Company	136	303
Other fees to the other independent auditor	14	65

34. Capital commitments

Estimated amounts committed at the end of the reporting year for future capital expenditure but not recognised in the financial statements are as follows:

	Group	
	2017	2016
	$'000	$'000
Commitments to purchase plant and equipment	-	293

35. Events after the end of the reporting year

On 27 March 2018, the Group repaid the Medium Term Notes of S$60,000,000, which was due on 19 March 2018.

36. Changes and adoption of financial reporting standards

For the current reporting year new or revised Singapore Financial Reporting Standards and the related Interpretations to FRS ("INT FRS") were issued by the Singapore Accounting Standards Council. Those applicable to the reporting entity are listed below. These applicable new or revised standards did not require any modification of the measurement methods or the presentation in the financial statements.

FRS No.	Title
FRS 7	Amendments to FRS 7: Disclosure Initiative
FRS 12	Amendments to FRS 12: Recognition Of Deferred Tax Assets For Unrealised Losses
FRS 112	Amendments to FRS 112: Disclosure of Interests in Other Entities

37. New or amended standards in issue but not yet effective

Singapore-incorporated companies listed on the Singapore Exchange are required to comply with new financial reporting standards (issued by the Singapore Accounting Standards Council) that are identical to the International Financial Reporting Standards for reporting year beginning on after 1 January 2018. The new framework is referred to as SFRS(I)s. SFRS(I) First-time Adoption of Singapore Financial Reporting Standards (International) will be adopted in the financial statements when it becomes mandatory. Based on the current accounting treatment of the account balances, management does not anticipate that the application of SFRS(I) will have a material impact on the financial position and financial performance of the entity.

37. New or amended standards in issue but not yet effective (cont'd)

For the future reporting years, new or revised Singapore Financial Reporting Standards (International) and the related Interpretations to SFRS(I)s ("SFRS(I) INT") were issued by the Singapore Accounting Standards Council and these will only be effective for future reporting years. Those applicable to the reporting entity for future reporting years are listed below.

SFRS No.	Title	Effective date for periods beginning on or after
SFRS(I) 1	First-time Adoption of Singapore Financial Reporting Standards (International)	1 January 2018
SFRS(I) 2	Amendments to, Classification and Measurement of Share-based Payment Transactions	1 January 2018
SFRS(I) 9	Financial Instruments	1 January 2018
SFRS(I) 15	Revenue from Contracts with Customers	1 January 2018
	Amendments to, Clarifications to SFRS(I) 15 Revenue from Contracts with Customers	
SFRS(I) 16	Leases and Leases – Illustrative Examples & Amendments to Guidance on Other Standards	1 January 2019
SFRS(I) INT 22	Foreign Currency Transactions and Advance Consideration	1 January 2018
SFRS(I) INT 23	Uncertainty over Income Tax Treatments	1 January 2019

The transfer to the applicable new or revised standards from the effective dates is not expected to result in material adjustments to the financial position, results of operations, or cash flows for the following year except as disclosed below:

SFRS(I) 16 Leases effective for annual periods beginning on or after 1 January 2019 replaces FRS 17 and the related interpretations. Almost all leases will be brought onto lessees' statements of financial position under a single model (except leases of less than 12 months and leases of low value assets). Lessor accounting, however, remains largely unchanged and the distinction between operating and finance leases is retained.

Based on a preliminary assessment, the standard will affect primarily the accounting for the Group's operating leases. The Group's operating leases (Note 31) are currently classified as operating leases and the lease payments (net of any incentives received from the lessor) are recognised as an expense on a straight-line basis over the lease term. Under SFRS(I) 16, the Group will need to recognise and measure a liability at the present value of the future minimum lease payments and recognise a corresponding right-of-use asset for these leases. The interest expense on the lease liability, and depreciation on the right-of-use asset will be recognised in profit or loss. The Group's assets and liabilities will increase, and the timing of expenses recognition will also be impacted as a result.

As discussed in Note 31, the Group's future minimum lease payments under non-cancellable operating leases for its clinics and office premises amounted to approximately $24,836,000 as at 31 December 2017. The leases are expected to be recognised as lease liabilities, with corresponding right-of-use assets, once SFRS(I) 16 is adopted. The amounts will be adjusted for the effects of discounting and the transition relief is available to the Group.

STATISTICS OF **SHAREHOLDINGS**

AS AT 15 MARCH 2018

SHARE CAPITAL

Class of shares	:	Ordinary Shares
Number of issued and paid-up shares (excluding treasury shares)	:	794,820,221
Voting rights	:	One vote per ordinary share
Number of treasury shares	:	10,067,579
Number of subsidiary holdings held	:	NIL
% of treasury shares to total number of issued shares (excluding treasury shares)	:	1.267%

SHAREHOLDING HELD IN THE HANDS OF PUBLIC

Based on information available to the Company as at 15 March 2018, approximately 36.36% of the Company's issued ordinary shares excluding treasury shares were held by the public, and Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited, is complied with.

DISTRIBUTION OF SHAREHOLDINGS

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%
1 - 99	18	0.53	135	0.00
100 - 1,000	205	6.08	155,359	0.02
1,001 - 10,000	1,463	43.39	9,377,300	1.18
10,001 - 1,000,000	1,649	48.90	97,645,770	12.28
1,000,001 and above	37	1.10	687,641,657	86.52
Total:	3,372	100.00	794,820,221	100.00

* Excluding Treasury Shares as at 15 March 2018 - 10,067,579 shares

TWENTY LARGEST SHAREHOLDERS

No.	Name	No. of Shares	%
1	QUAN MIN HOLDINGS PTE LTD	246,052,645	30.96
2	CITIBANK NOMINEES SINGAPORE PTE LTD	213,720,202	26.89
3	KOH SHUNJIE KELVIN (XU SHUNJIE KELVIN)	36,889,000	4.64
4	MAYBANK KIM ENG SECURITIES PTE LTD	29,045,069	3.65
5	FOO MOOH THONG	16,640,000	2.09
6	FELICIA SHUHUI KOH (MRS FELICIA FENNER)	15,810,000	1.99
7	HWANG YEE CHEAU	14,666,383	1.85
8	DBS NOMINEES PTE LTD	13,880,811	1.75
9	OCBC SECURITIES PRIVATE LTD	11,405,900	1.44
10	RAFFLES NOMINEES (PTE) LTD	9,252,700	1.16
11	NG CHIN SIAU	8,240,110	1.04
12	CHAN PUI KEE	6,501,400	0.82
13	LAI MING CHUN @ LAI POH LIN	5,000,000	0.63
14	CHEN YAN FENG	4,900,000	0.62
15	CHOW JOO MING	4,900,000	0.62
16	UOB KAY HIAN PTE LTD	4,373,389	0.55
17	SING INVESTMENTS & FINANCE NOMINEES (PTE.) LTD.	3,500,000	0.44
18	UNITED OVERSEAS BANK NOMINEES (PRIVATE) LIMITED	3,434,500	0.43
19	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	3,007,900	0.38
20	OVERSEA CHINESE BANK NOMINEES PTE LTD	3,000,000	0.38
	Total:	654,220,009	82.33

Note:
%: Based on 794,820,221 shares (excluding shares held as treasury shares) as at 15 March 2018
* Treasury Shares as at 15 March 2018 - 10,067,579 shares

STATISTICS OF **SHAREHOLDINGS**
AS AT 15 MARCH 2018

SUBSTANTIAL SHAREHOLDERS

No.	Name	No. of shares held as Direct	%[1]	No. of shares held as Deemed	%
1	Quan Min Holdings Pte. Ltd.[2]	387,739,745[3]	48.78	-	-
2	Dr Ng Chin Siau	11,240,110[4]	1.41	387,840,745[5]	48.80
3	Heritas Helios Investments Pte. Ltd.[6]	63,733,115	8.02	-	-
4	IMC Heritas Investments Ltd.[7]	-	-	63,733,115	8.02
5	IMC Pan Asia Alliance Corporation[8]	-	-	63,733,115	8.02
6	Heritas Capital Management Pte. Ltd.[9]	-	-	63,733,115	8.02

Notes:

(1) The percentage shareholding interest is computed based on 794,820,221 shares (excluding treasure shares).

(2) Quan Min Holdings Pte. Ltd. is an investment holding company incorporated in Singapore and is the Company's ultimate parent company.

(3) 143,000,000 shares are held in the name of Citibank Nominees Singapore Pte Ltd.

(4) 3,000,000 shares are held in the name of OCBC Securities Private Limited.

(5) Dr Ng Chin Siau is deemed to have interest in the Shares held by (i) Quan Min Holdings Pte. Ltd. by virtue of his 43.91% direct shareholding in Quan Min Holdings Pte. Ltd; and (ii) his spouse's, Foo Siew Jiuan, 101,000 ordinary shares.

(6) The entire shares are held in the name of Citibank Nominees Singapore Pte. Ltd..

(7) IMC Heritas Investments Ltd. is the owner of the entire share capital of Heritas Helios Investments Pte. Ltd..

(8) IMC Pan Asia Alliance Corporation is the owner of the entire share capital of IMC Heritas Investments Ltd., which is in turn the owner of the entire share capital of Heritas Helios Investments Pte. Ltd..

(9) Heritas Capital Management Pte. Ltd. is the discretionary investment manager of Heritas Helios Investments Pte. Ltd..

NOTICE OF **ANNUAL GENERAL MEETING**

NOTICE IS HEREBY GIVEN that the annual general meeting of Q & M Dental Group (Singapore) Limited (the "**Company**") will be held at PARKROYAL on Kitchener Road, Emerald Ballroom 1, 181 Kitchener Road, Singapore 208533 on Thursday, 19 April 2018 at 2.00 p.m. (the "**AGM**") to transact the following businesses:

ORDINARY BUSINESS

1. To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2017 together with the Auditor's Report thereon. **(Resolution 1)**

2. To declare a final tax exempt (1-tier) dividend of 0.42 cents per share for the financial year ended 31 December 2017. **(Resolution 2)**

3. To declare a special tax exempt (1-tier) dividend of 0.50 cents per share for the financial year ended 31 December 2017. **(Resolution 3)**

4. To approve the payment of directors' fees of S$183,000.00/- for the financial year ended 31 December 2017 (2016: S$174,000.00/-). **(Resolution 4)**

5. To re-elect Mr Narayanan Sreenivasan @ N Sreenivasan, retiring pursuant to Article 104 of the Company's Constitution. (see Explanatory Note (i)) **(Resolution 5)**

6. To re-elect Mr Chik Wai Chiew (Zhi Weichao), retiring pursuant to Article 114 of the Company's Constitution. (see Explanatory Note (ii)) **(Resolution 6)**

7. To re-appoint Messrs RSM Chio Lim LLP as auditors of the Company and to authorise the Directors to fix their remuneration. **(Resolution 7)**

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following ordinary resolutions with or without modifications:

8. **Authority to issue and allot shares** **(Resolution 8)**

   (a) That pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore (the "**Act**") and the Mainboard Rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") (the "**Mainboard Rules**"), approval be and is hereby given to the directors of the Company (the "Directors") at any time to such persons and upon such terms and for such purposes as the Directors may in their absolute discretion deem fit, to:

   (i) issue shares in the capital of the Company whether by way of rights, bonus or otherwise;

   (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued or other transferable rights to subscribe for or purchase shares including but not limited to the creation and issue of warrants, debentures or other instruments convertible into shares;

   (iii) issue additional Instruments arising from adjustments made to the number of Instruments previously issued in the event of rights, bonus or capitalisation issues; and

SPECIAL BUSINESS (Cont'd)

(b) (notwithstanding the authority conferred by the shareholders may have ceased to be in force) issue shares in pursuance of any Instruments made or granted by the Directors while the authority was in force, provided always that:

(i) the aggregate number of shares to be issued pursuant to this resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) does not exceed 50% of the total number of issued shares excluding treasury shares of the Company, of which the aggregate number of shares (including shares to be issued in pursuance of Instruments made or granted pursuant to this resolution) to be issued other than on a pro-rata basis to shareholders of the Company does not exceed 20% of the total number of issued shares excluding treasury shares of the Company. Unless prior shareholders' approval is required under the Mainboard Rules, an issue of treasury shares will not require further shareholders' approval and will not be included in the aforementioned limits;

For the purpose of this resolution, the total number of issued shares excluding treasury shares is based on the Company's total number of issued shares excluding treasury shares at the time this resolution is passed, after adjusting for:

a. new shares arising from the conversion or exercise of convertible securities;

b. new shares arising from exercising share options or vesting of share awards outstanding or subsisting at the time this resolution is passed provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Mainboard Rules; and

c. any subsequent bonus issue, consolidation or subdivision of the Company's share;

(ii) in exercising the authority conferred by this resolution, the Company shall comply with the provisions of the Mainboard Rules for the time being in force (unless such compliance has been waived by the SGX-ST), and all applicable legal requirements under the Act and the Constitution for the time being of the Company;

(iii) the authority conferred by this resolution shall, unless revoked or varied by the Company in general meeting, continue to be in force until the conclusion of the next annual general meeting or the date by which the next annual general meeting of the Company is required by law to be held, whichever is the earlier. (see Explanatory Note (iii))

SPECIAL BUSINESS (Cont'd)

9. **Proposed Renewal of Share Buy-Back Mandate** **(Resolution 9)**

(a) That for the purposes of Sections 76C and 76E of the Act and such other laws and regulations as may for the time being be applicable, the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the share capital of the Company ("**Shares**") not exceeding in aggregate the Prescribed Limit (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

(i) on-market purchases (each an "**On-Market Share Purchase**") on the SGX-ST; and/or

(ii) off-market purchases (each an "**Off-Market Share Purchase**") (if affected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Act and the Mainboard Rules;

(the "**Share Buy-Back Mandate**");

(b) any Shares that are purchased or otherwise acquired by the Company pursuant to the Share Buy-Back Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Act;

(c) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buy-Back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earliest of:

(i) the date on which the next annual general meeting of the Company is held or required by law to be held;

(ii) the date on which the share buy-backs are carried out to the full extent mandated; or

(iii) the date on which the authority contained in the Share Buy-Back Mandate is varied or revoked;

(d) in this resolution:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the date of making the On-Market Share Purchase or, as the case may be, the day of the making of an offer pursuant to the Off-Market Share Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five (5) Market Days;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from the shareholders of the Company, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each share and the relevant terms of the equal access scheme for effecting the Off-Market Share Purchase;

SPECIAL BUSINESS (Cont'd)

"**Market Day**" means a day on which the SGX-ST is open for trading in securities;

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

(i) in the case of an On-Market Share Purchase, 105% of the Average Closing Price; or

(ii) in the case of an Off-Market Share Purchase, 120% of the Average Closing Price;

in either case, excluding related expenses of the purchase or acquisition of Shares by the Company pursuant to the Share Buy-Back Mandate;

"**Prescribed Limit**" means 10% of the total number of Shares as at the date of passing of this resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Act, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount the issued ordinary share capital of the Company as altered (excluding any subsidiary holdings and treasury shares that may be held by the Company from time to time); and

"**Relevant Period**" means the period commencing from the date on which this resolution is passed and expiring on the date the next annual general meeting of the Company is held or is required by law to be held, whichever is the earlier; and

(e) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including without limitation, executing such documents as may be required) as they may consider desirable, expedient or necessary to give effect to the transactions contemplated by this resolution.

(see Explanatory Note (iv))

OTHER BUSINESS

10. To transact any other ordinary business which may be properly be transacted at an annual general meeting.

ON BEHALF OF THE BOARD

Dr Ng Chin Siau
Group Chief Executive Officer

4 April 2018

Explanatory Notes:

(i) In relation to Ordinary Resolution 5

Mr Narayanan Sreenivasan @ N Sreenivasan will, upon re-election as Director of the Company, remain as the Independent Chairman of the Board and member of Audit, Nominating and Remuneration Committees. He is considered independent for the purpose of Rule 704(8) of the Mainboard Rules. His detailed information can be found under 'Board of Directors' and 'Corporate Governance' in the Company's Annual Report 2017. Save as disclosed in those sections there are no relationships including immediate family relationships between him and the other Directors, the Company or its 10% shareholders.

(ii) In relation to Ordinary Resolution 6

Mr Chik Wai Chiew (Zhi Weichao) will, upon re-election as Director of the Company, remain as the Non-Independent Non-Executive Director. His detailed information can be found under 'Board of Directors' and 'Corporate Governance' in the Company's Annual Report 2017. Save as disclosed in those sections there are no relationships including immediate family relationships between him and the other Directors, the Company or its 10% shareholders.

(iii) Ordinary Resolution 8, if passed, will empower the Directors of the Company, effective until conclusion of the next annual general meeting of the Company, or the date by which the next annual general meeting of the Company is required by law to be held or such authority is varied or revoked by the Company in a general meeting, whichever is the earlier, to issue and allot Shares, make or grant Instruments and to issue Shares pursuant to such Instruments, without seeking any further approval from shareholders in general meeting but within the limitation imposed by this resolution, for such purposes as the Directors of the Company may consider would be in the best interests of the Company. The aggregate number of Shares (including Shares to be made in pursuance of Instruments made or granted pursuant to this resolution) to be issued and allotted would not exceed 50% of the total number of issued Shares (excluding treasury shares) at the time of passing of this resolution. For issue of Shares (including Shares to be made in pursuance of Instruments made or granted pursuant to this resolution) other than on a pro-rata basis to all shareholders shall not exceed 20% of the total number of issued Shares (excluding treasury shares) at the time of passing of this resolution.

(iv) Ordinary Resolution 9, if passed, will renew the Share Buy-Back Mandate authorising the Directors of the Company to buy back shares of the Company by way of on-market purchase(s) and/or off-market purchase(s) according to the rules and regulations prescribed by the Act and the Mainboard Rules. Further details are set out in the attached circular to shareholders dated 4 April 2018 in relation to the Proposed Renewal of the Share Buy-Back Mandate.

Notes:

1. a) Except for a shareholder who is a Relevant Intermediary, a shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a shareholder appoints more than one (1) proxy, the proportion of his shareholding to be represented by each proxy shall be specified in the proxy form.

   b) Pursuant to Section 181(1C) of the Act, a shareholder who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. Where such shareholder appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181(6) of the Act.

2. A proxy need not be a shareholder of the Company.

3. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

4. The instrument appointing a proxy, duly executed, must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road #11-02, Singapore 068898, not less than forty-eight (48) hours before the time appointed for the holding of the AGM.

5. A Depositor's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at seventy-two (72) hours before the time fixed for holding the AGM in order for the Depositor to be entitled to attend, speak and vote at the AGM.

6. A shareholder should insert the total number of shares held. If the shareholder has shares entered against his name in the Depository Register as defined under the Securities and Futures Act, Chapter 289 of Singapore, he should insert that number of shares. If the shareholder has shares registered in his name in the Register of Members of the Company, he should insert the number of shares. If the shareholder has shares entered against his name in the Depository Register and shares registered in his name in the Register of Members of the Company, he should insert the aggregate number of shares. If no number is inserted, this form of proxy will be deemed to relate to all the shares held by the shareholder of the Company.

7. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies. In addition, in the case of shareholders of the Company whose shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if such shareholders are not shown to have shares entered against their names in the Depository Register seventy-two (72) hours before the time appointed for holding the AGM as certified by The Central Depository (Pte) Limited to the Company.

Personal Data Privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

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Q & M DENTAL GROUP (SINGAPORE) LIMITED
(Registration No.: 200800507R)
(Incorporated in the Republic of Singapore)

ANNUAL GENERAL MEETING
PROXY FORM

(Please refer to notes overleaf before completing this Form)

IMPORTANT:
1. Relevant intermediaries as defined in Section 181(6) of the Singapore Companies Act, Chapter 50 may appoint more than two proxies to attend, speak and vote at the Annual General Meeting.
2. For CPF/SRS investors who have used their CPF monies to buy Q & M Dental Group (Singapore) Limited's shares, this form of proxy is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by them. CPF/SRS investors should contact their respective Agent Banks if they have any queries regarding their appointment as proxies.

*I/We ____________________ (Name) ____________________ (NRIC / Passport No./Co. Registration No.) of ____________________ (Address)
being * a shareholder/shareholders of Q & M Dental Group (Singapore) Limited (the "**Company**"), hereby appoint

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	%

*and/or

Name	Address	NRIC/ Passport No.	Proportion of Shareholdings	
			No. of Shares	%

or failing *him/her/them, the Chairman of the annual general meeting ("**AGM**"), as *my/our *proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the AGM of the Company to be held at PARKROYAL on Kitchener Road, Emerald Ballroom 1, 181 Kitchener Road, Singapore 208533, on Thursday, 19 April 2018 at 2.00 p.m. and at any adjournment thereof.

*I/We direct *my/our *proxy/proxies to vote for or against the Ordinary Resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting is given, the *proxy/proxies will vote or abstain from voting at *his/her/their discretion, as *he/she/they will on any other matter arising at the AGM.

*(Voting will be conducted by poll. If you wish to exercise all your votes "**For**" or "**Against**" the relevant resolution, please tick [√] within the relevant box provided. Alternatively, if you wish to exercise your votes both "For" and "Against" the relevant resolution, please indicate the number of shares in the boxes provided.)*

No.	Resolutions	For	Against
1.	To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2017 together with the Auditor's Report thereon.		
2.	To declare a final tax exempt (1-tier) dividend of 0.42 cents per share for the financial year ended 31 December 2017.		
3.	To declare a special tax exempt (1-tier) dividend of 0.50 cents per share for the financial year ended 31 December 2017.		
4.	To approve the payment of directors' fees of $183,000/- for the financial year ended 31 December 2017 (2016: S$174,000/-).		
5.	To re-elect Mr Narayanan Sreenivasan @ N Sreenivasan, retiring pursuant to Article 104 of the Company's Constitution.		
6.	To re-elect Mr Chik Wai Chiew (Zhi Weichao), retiring pursuant to Article 114 of the Company's Constitution.		
7.	To re-appoint Messrs RSM Chio Lim LLP as auditors of the Company and to authorise the directors to fix their remuneration.		
8.	To authorise directors to issue and allot shares.		
9.	To approve the renewal of shareholders' mandate for the Company to buy-back its own shares.		

Dated this ____________ day of ____________ 2018.

Total No. of Shares in	No. of Shares
CDP Register	
Register of Members	

____
Signature(s) of shareholders(s)/Common Seal

** Delete accordingly*

IMPORTANT: Please Read Notes for this Proxy Form.

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of shares. If you have shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2. (a) Except for a shareholder who is a Relevant Intermediary, a shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint not more than two (2) proxies to attend and vote in his stead. Where a shareholder appoints more than one (1) proxy, the proportion of his shareholding to be represented by each proxy shall be specified in the proxy form.

   (b) Pursuant to Section 181(1C) of the Singapore Companies Act Cap. 50 (the "Act"), a shareholder who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such shareholder. Where such shareholder appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the proxy form.

   "**Relevant intermediary**" has the meaning ascribed to it in Section 181(6) of the Act.

3. A proxy need not be a shareholder of the Company.

4. The instrument appointing a proxy or proxies must be under the hand of the appointor or of his attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

5. The instrument appointing a proxy, duly executed, must be deposited at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898, not less than forty-eight (48) hours before the time appointed for the holding of the AGM.

6. The Company shall be entitled to reject an instrument of proxy which is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified on the instrument of proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject an instrument of proxy if the shareholder, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

7. A corporation which is a shareholder may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM, in accordance with Section 179 of the Act.

8. Investor who buys shares in the Company using CPF monies and/or SRS monies (as may be applicable) ("**CPF/SRS Investors**") may attend and cast his vote(s) at the AGM in person. CPF/SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees to appoint Chairman of the AGM to act as their proxy, in which case, the CPF/SRS Investors shall be precluded from attending the AGM.

Personal Data Privacy:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a shareholder of the Company (i) consents to the collection, use and disclosure of the shareholder's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the shareholder discloses the personal data of the shareholder's proxy(ies) and/or representative(s) to the Company (or its agents), the shareholder has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the shareholder will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the shareholder's breach of warranty.

DIRECTORY OF **Q & M'S OUTLETS IN SINGAPORE**

Q & M DENTAL CENTRES

Bugis	6837 2292
City Square Mall	6509 1133
Orchard	6732 2633 / 6235 8152
Raffles Place	6225 3033

Q & M DENTAL CLINICS

CENTRAL

Ang Mo Kio	6554 3363
Bishan	6255 5228
Braddell	6358 1098
Bt. Timah	6466 3393
Killiney	6235 1638
Novena	6251 3233, 6258 2623
Serangoon Central	6509 8858, 6383 1763, 6343 0398
Serangoon North	6282 8597
Toa Payoh Central	6356 6789, 6256 3633
Toh Yi	6762 7660
Towner Road	6299 8980

EAST

Bedok Central	6876 0533
Bedok Mall	6384 6288
Buangkok MRT	6315 6882
Elias Mall	6584 8793
Eunos MRT	6749 8518
Hougang Central	6386 2663
Hougang Mall	6282 5500
Hougang (The Midtown)	6386 2339
Kallang MRT	6547 1833
Marine Parade	6346 1882
Old Airport Road	6447 9033
Pasir Ris Central	6583 0298, 6583 8313
Punggol	6387 2683
Punggol MRT	6584 0478
Seletar Mall	6702 3738
Simei MRT	6741 6819
Tampines Central	6588 3233 / 6782 1293, 6785 0608

NORTH

Admiralty	6365 3903
Khatib	6852 3363
Marsiling	6365 6500
Sembawang MRT	6752 3093
Yishun Central	6851 6789, 6257 1548

SOUTH

Redhill MRT	6272 4858

WEST

Boon Lay MRT	6791 3323
Bt. Batok	6665 4233
Bt. Batok Central	6569 3239
Bt. Gombak	6569 3120
Bt. Gombak MRT	6562 1161
Bt. Panjang	6766 3363
Clementi Central	6872 3633, 6778 2768
Holland Village MRT	6892 3913
Jelapang	6891 2668
Jurong East Central (JEM)	6425 0398
Yew Tee	6794 5263

SUBSIDIARY CLINICS

Aesthetics Dental Surgery	6333 3233
Bright Smile Dental Surgery	6274 6800
British Dental Surgery	6765 3323
Dentigiene Dental Surgery	6299 8980
Foo & Associates Dental Surgeons	6838 0903
Ho Dental Surgery	6442 1956
Horizon Dental Surgery	6733 5388
Jurong Point Dental Surgery	6792 1811
Lee & Lee (Dental Surgeons)	
• Bukit Batok	6563 2262
• Ocean Financial Centre	6535 6113
• Tampines Central	6788 2262
Tiong Bahru Dental Surgery	6271 3083
TP Dental Surgeons	6737 9011

MEDICAL CLINICS

Bukit Batok	6565 3866
Farrer Park	6509 9558
Serangoon Central	6488 2336
Tampines Central	6781 3323

全民 Q&M

Q & M Dental Group (Singapore) Limited

(Incorporated in the Republic of Singapore on 7 January 2008)
(Unique Entity Number 200800507R)

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