



**Q & M Dental Group (Singapore) Limited**

Providing Quality and Accessible Dental Healthcare



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# **AGM PRESENTATION**

June 2020

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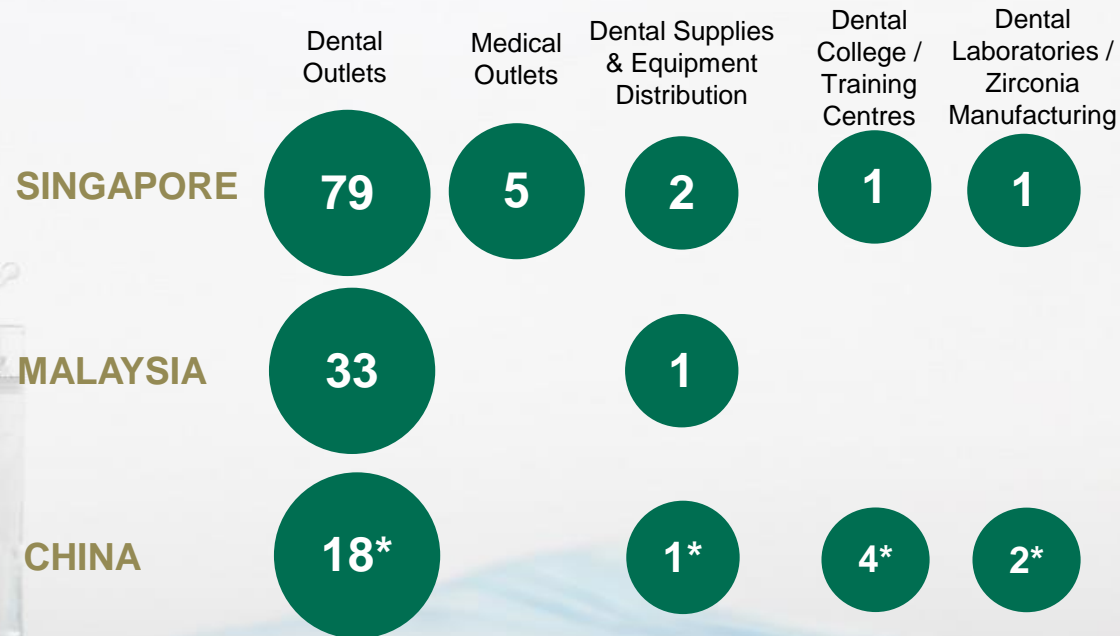
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# Introduction

## BUILDING THE LEADING INTEGRATED DENTAL HEALTHCARE COMPANY IN ASIA

- First established in November 1996 in Singapore
- Listed on the Main Board of the Singapore Exchange on 26 November 2009
- The largest network of private dental outlets in Singapore with an expanding presence in China and Malaysia
- More than 400 experienced dentists, supported by close to 500 clinical and administrative staff in the region
- 50 dental specialists
- Serving over 400,000 patients in Singapore annually



	Dental Outlets	Medical Outlets	Dental Supplies & Equipment Distribution	Dental College / Training Centres	Dental Laboratories / Zirconia Manufacturing
SINGAPORE	79	5	2	1	1
MALAYSIA	33		1		
CHINA	18*		1*	4*	2*

\*As of January 2020: Number include 6 dental hospitals, 11 dental clinics, 1 dental supplies & equipment distribution company, 4 training centres, 1 dental laboratory and 1 zirconia manufacturing company under Q & M's associate companies Aoxin Q & M Dental Group Limited & Aidite (Qinhuangdao) Technology Co., Ltd.

# FY2019 KEY FIGURES

Current  
Ratio (Times)  
**1.8**

Revenue  
**\$128.0 m**

EBITDA  
**\$27.8 m**

Nav Per Share  
**15.5 cents**

Earnings Per Share  
**2.29 cents**

Profit Before Tax  
**\$20.1 m**

Cash Position  
**\$27.3 m**

# Consolidated Statement of Profit or Loss

	FY2018	FY2019	%
	S\$'000	S\$'000	Change
<b>Revenue</b>			
Dental and Medical Clinics	112,587	119,156	6
Dental Equipment & Supplies Distribution	8,221	8,807	7
<b>Total Revenue</b>	120,808	127,963	6
<b>Other Items of Income</b>			
Interest Income	111	32	(71)
<b>Other Items of Expense</b>			
Consumables & Supplies Used in Dental & Medical Clinics	(8,400)	(9,198)	10
Cost of Sales – Dental Equipment & Supplies Distribution	(5,835)	(6,548)	12
Employee Benefits Expense	(70,580)	(77,142)	9
Depreciation and Amortization Expense	(3,306)	(3,281)	(1)
Depreciation and Finance Cost of ROU Assets and Rental Expense	(12,866)	(13,185)	2
Other Expenses	(7,464)	(8,853)	19
Financial Cost	(2,635)	(2,846)	8
Other Gains - Net	400	9,017 <sup>1</sup>	2154
Share of Profit from Equity-Accounted Associates	4,612	4,163	(10)
<b>Profit Before Tax from Continuing Operations</b>	14,845	20,122	36
Income Tax Expense	(760)	(1,941)	155
<b>Profit From Continuing Operations, Net of Tax</b>	14,085	18,181	29

<sup>1</sup> Mainly due to gain on partial disposal of Aidite (Qinhuangdao) Technology Co., Ltd.

# Statements of Financial Position

	FY2018	FY2019
	S\$'000	S\$'000
<b>Assets</b>		
<b>Non-Current Assets</b>		
Property, Plant and Equipment	20,417	26,117
Right-Of-Use Assets	-	49,486
Investment in Associates	77,444	42,026
Intangible Assets	53,329	53,497
Other Receivables	1,062	231
Other Non-Financial Assets	10,756	9,403
<b>Total Non-Current Assets</b>	<b>163,008</b>	<b>180,760</b>
<b>Current Assets</b>		
Inventories	6,945	7,035
Trade and Other Receivables	16,653	87,315
Other Non-Financial Assets	2,622	3,411
Cash and Cash Equivalents	24,924	27,253
<b>Total Current Assets</b>	<b>51,144</b>	<b>125,014</b>
<b>Total Assets</b>	<b>214,152</b>	<b>305,774</b>

# Statements of Financial Position

	FY2018	FY2019
	S\$'000	S\$'000
<b>Equity and Liabilities</b>		
<b>Equity Attributable to Owners of the Parent</b>		
Share Capital	86,758	86,758
Treasury Shares	(11,558)	(11,558)
Retained Earnings	38,135	49,677
Other Reserves	(2,684)	(2,904)
<b>Equity Attributable to Owners of the Parent</b>	<b>110,651</b>	<b>121,973</b>
<b>Non-Controlling Interests</b>	<b>1,035</b>	<b>1,157</b>
<b>Total Equity</b>	<b>111,686</b>	<b>123,130</b>
<b>Non-Current Liabilities</b>		
Provisions	638	597
Deferred Tax Liabilities	1,072	1,371
Finance Liabilities – Lease Liabilities	-	39,946
Other Financial Liabilities	86,185	69,839
<b>Total Non-Current Liabilities</b>	<b>87,895</b>	<b>111,753</b>
<b>Current Liabilities</b>		
Income Tax Payable	110	1,024
Financial Liabilities – Lease Liabilities	-	10,211
Trade and Other Payables	14,018	27,080
Other Financial Liabilities	443	32,576
<b>Total Current Liabilities</b>	<b>14,571</b>	<b>70,891</b>
<b>Total Liabilities</b>	<b>102,466</b>	<b>182,644</b>
<b>Total Equity and Liabilities</b>	<b>214,152</b>	<b>305,774</b>

# Consolidated Statement of Cash Flows

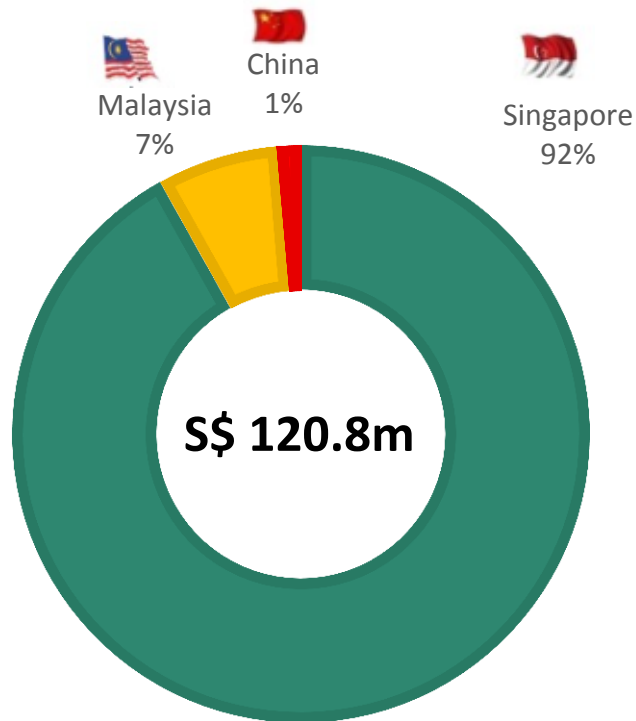
	FY2018	FY2019
	S\$'000	S\$'000
<b>Cash Flows From Operating Activities</b>		
Operating Cash Flows Before Changes in Working Capital	16,097	23,670
Changes in Working Capital	(2,564)	5,012
Net Cash Flows From Operations	13,533	28,682
Income Taxes Paid	(444)	(728)
<b>Net Cash Flows From Operating Activities</b>	<b>13,089</b>	<b>27,954</b>
<b>Net Cash Flows Used in Investing Activities</b>	<b>(4,991)</b>	<b>(9,283)</b>
<b>Net Cash Flows Used in Financing Activities</b>	<b>(20,214)</b>	<b>(16,342)</b>
<b>Net (Decrease) / Increase in Cash and Cash Equivalents</b>	<b>(12,116)</b>	<b>2,329</b>
<b>Cash and Cash Equivalents, Beginning Balance of the Year</b>	<b>37,040</b>	<b>24,924</b>
<b>Cash and Cash Equivalents, Ending Balance of the Year</b>	<b>24,924</b>	<b>27,253</b>



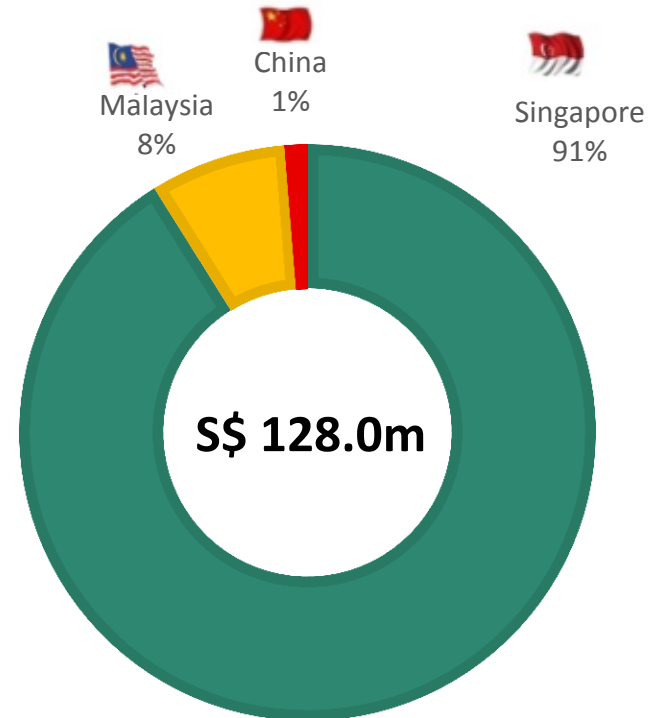
# Revenue

## GEOGRAPHICAL INFORMATION

FY2018 REVENUE



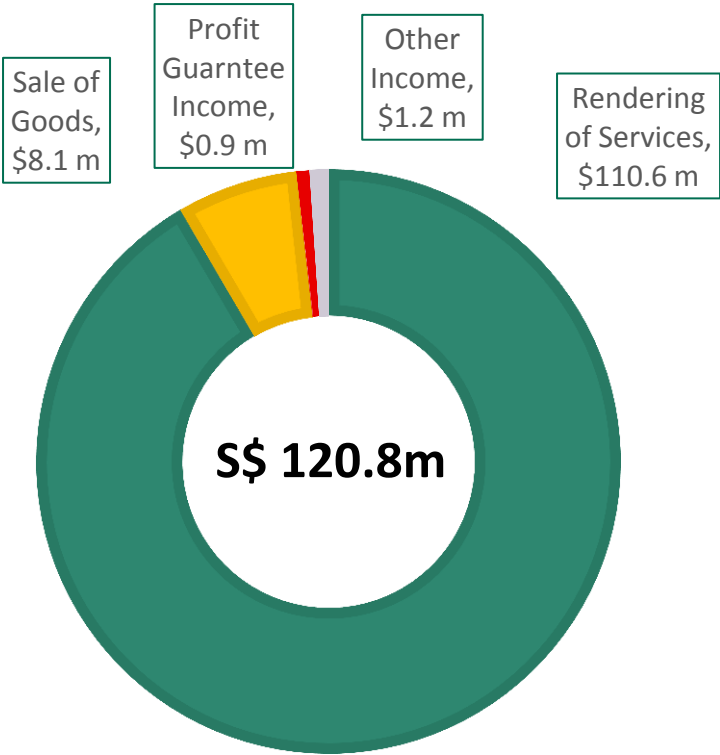
FY2019 REVENUE



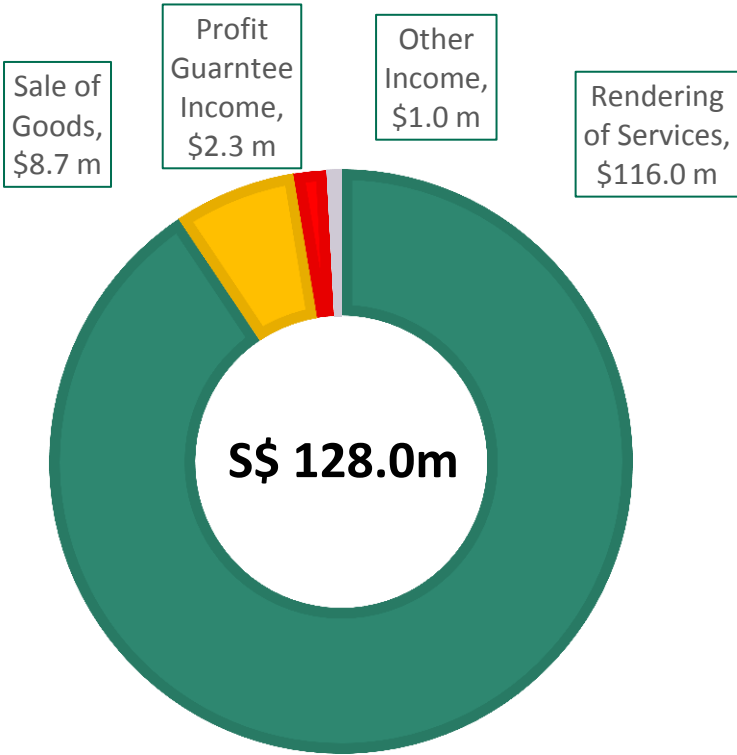
# Revenue

## REVENUE TYPE

FY2018 REVENUE

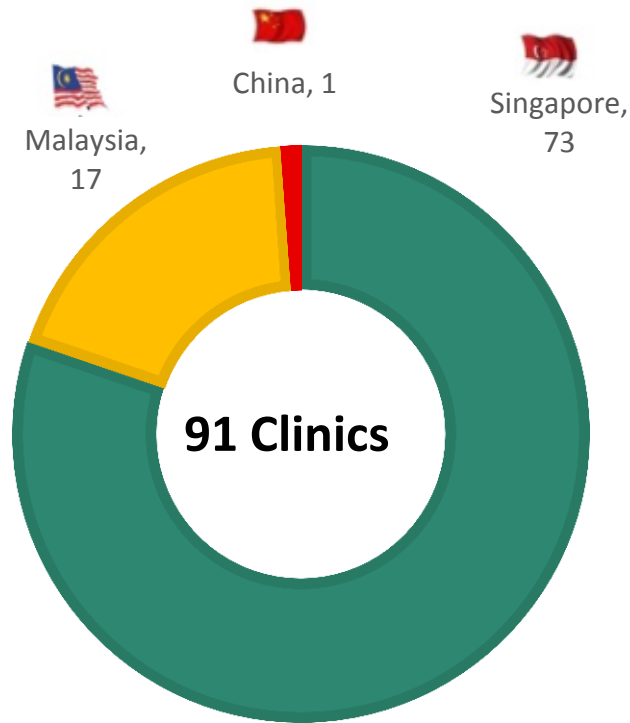


FY2019 REVENUE

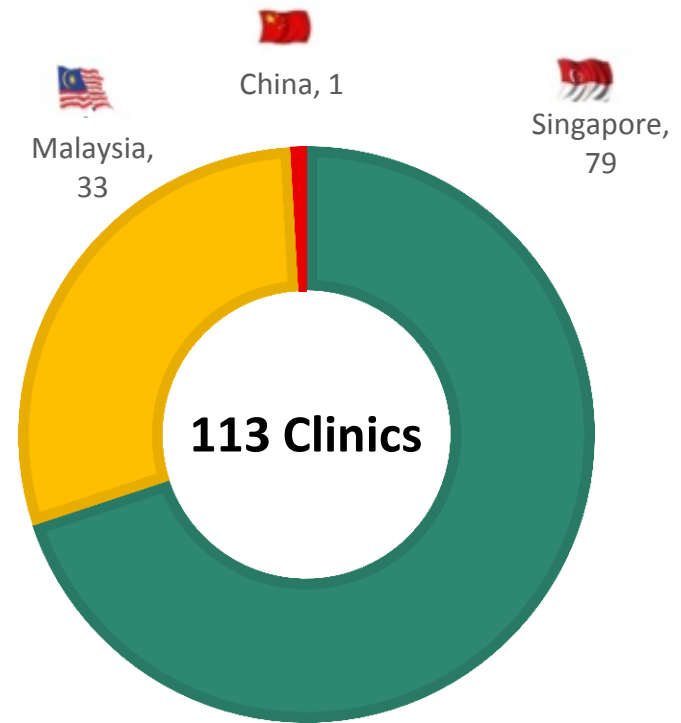


# Number of Clinics

NUMBER OF CLINICS IN 2018



NUMBER OF CLINICS IN 2019



# Other Key Financials

Key Financial Figures	FY2018	FY2019
EBITDA	\$20.8 million	\$27.8 million
Net Asset Value Per Share (cents)	14.1*	15.5*
Earnings Per Share (cents)	1.77	2.29
Financial Ratio	FY2018	FY2019
Net Gearing (times)	0.55	0.62
Return on Equity (%)	12.60	14.74
Current Ratio (times)	3.5	1.76
EBITDA/Interest Expense (times)	7.8	6.3

## DIVIDEND POLICY OF AT LEAST 30% OF CORE OPERATING PROFITS

Dividend Per Share (cents)	FY2018	FY2019
Interim	0.40	0.40
Final	0.42	2.42
Total	0.82	2.82

*\*Based on total number of shares issued of 785,621,921 shares as at 31 December 2018 and 31 December 2019*

# FUTURE PLANS

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# Future Plans

## WELL POSITIONED TO CAPTURE GROWTH OPPORTUNITIES

### Pursuing Organic Growth Momentum in Singapore, Malaysia and China

- Strengthen recruitment programme through sponsorships and bursaries for aspiring dentists
- Setting up new clinics in Johor Bahru, Melaka and Klang Valley, which have shown continued growth prospects
- Setting up new dental clinics/hospitals through JV in China

### AI & Dental College

- Optimise our AI-enhanced guided treatment plan to provide the most effective and suitable treatment plans for patients
- Offer post-graduate and other training programmes through Q & M College of Dentistry

### Propose New Projects

- COVID-19 sale of test kits & laboratory tests
- Surgical mask manufacturing

# Thank You

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