



Q & M DENTAL GROUP (SINGAPORE) LIMITED
(Company Registration Number 200800507R)
(Incorporated in the Republic of Singapore)

**RESPONSE TO SGX QUERY IN RESPECT OF THE COMPANY'S SECOND QUARTER
AND/OR HALF YEARLY RESULTS**

The board of directors (the "**Board**" or "**Directors**") of Q & M Dental Group (Singapore) Limited ("**Q & M**" or the "**Company**", and together with its subsidiaries, the "**Group**") has received the following query from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in respect of the Company's second quarter and/half yearly results, and wishes to provide its response:

SGX-ST QUERY

Query 1

We note from page 3 that:

- (a) right-of-use assets had decreased by \$978,000, from \$51.716m as at 31 December 2021 to \$50.738m as at 30 June 2022. This does not reconcile to the depreciation of right-of-use assets for the period of \$5.979m, as reported on page 1; and
- (b) lease liabilities arising from right-of-use assets had decreased by \$607,000, from \$54.204m as at 31 December 2021 to \$53.597m as at 30 June 2022. This does not reconcile to the payments of lease liabilities (principal and interest portions) for the period amounting to \$6.484m, as reported on page 4.

Please provide a reconciliation of the movements in (i) right-of-use assets; and (ii) lease liabilities arising from right-of-use assets between 31 December 2021 and 30 June 2022.

COMPANY'S RESPONSE

The table below shows a reconciliation of the movement in (i) right-of-use assets; and (ii) lease liabilities arising from right-of-use assets between 31 December 2021 and 30 June 2022:

<u>Group</u>	Dental, medical and office <u>premises</u> \$'000	Lease <u>liabilities</u> \$'000
At 31 December 2021	77,875	59,299
Accretion of interest	–	876
Additions	3,466	3,466
Disposals	(1,975)	(265)
Lease modification	1,868	1,868
Lease payments – principal portion paid	–	(5,608)
Interest paid	–	(876)
At 30 June 2022	<u>81,234</u>	<u>58,760</u>

<u>Accumulated depreciation/ Rental concession from lessor:</u>		
At 31 December 2021	26,159	(5,095)
Depreciation for the period	5,979	–
Disposals	(1,710)	–
Rental concession from lessor	68	(68)
At 30 June 2022	<u>30,496</u>	<u>(5,163)</u>
Carrying value:		
At 31 December 2021	<u>51,716</u>	<u>54,204</u>
At 30 June 2022	<u>50,738</u>	<u>53,597</u>

By Order of the Board

Q & M Dental Group (Singapore) Limited

Ng Sook Hwa
Chief Financial Officer
22 August 2022

For more information, please contact:

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