

Q & M DENTAL GROUP REPORTS GROWTH IN PROFIT NET OF TAX FOR 3rd QUARTER 2016

- Group revenue for 3Q16 increases by 27% to \$38.9 million from \$30.6 million in 3Q15 amidst challenging economic conditions.
- Net profit attributable to shareholders for 3Q16 rises to \$\$2.8 million from \$\$2.7 million in 3Q15.

Singapore, 13 November 2016 – Q & M Dental Group (Singapore) Limited ("Q & M" or the "Group"), a leading private dental healthcare group in Asia, posted an increase of 3% growth in net profit attributable to shareholders to \$2.8 million for the 3 months ended 30 September 2016 ("3Q16"), from \$2.7 million for the corresponding quarter in 2015 ("3Q15").

Revenue from the Group's dental and medical clinics for 3Q16 increased by 22% to \$29.0 million, from \$23.7 million in 3Q15. The increase of \$5.3 million was attributed to higher revenue from existing and new dental outlets in Singapore, revenue contribution from the acquisition of the Panjin City Jincheng Group of Clinics (Jingcheng Dental Clinic, Jingying Dental Clinic and Jingyi Dental Clinic), Panjin City Jinsai Dental Clinic and Gaizhou Zhuoyue Dental Clinic in January 2016, the acquisitions of TP Dental Surgeons Pte. Ltd., Tiong Bahru Dental Surgery Pte. Ltd. and Bright Smile Dental Surgery Pte. Ltd. in September 2015, acquisition of Aesthetics Dental Surgery Pte. Ltd. in November 2015 as well as the acquisition of Lee & Lee (Dental Surgeons) Pte. Ltd. in March 2016.

As at 30 September 2016, the Group had a total of 70 dental outlets, 4 medical outlets and 1 aesthetic centre in operations, compared to 65 dental outlets, 3 medical outlets, 1 aesthetic centre as at the end of 3Q15 in Singapore.

As at 30 September 2016, the Group had a total of 8 dental outlets in Malaysia and 4 dental hospitals and 7 dental outlets in China compared to 8 dental outlets in Malaysia and 3 dental hospitals and 4 dental outlets as at the end of 3Q15 in China.

For the nine months ended 30 September 2016, the Group's net profit after tax was \$13.4 million, compared with \$12.8 million for nine months ended 30 September 2015.

As at 30 September 2016, the Group had cash and cash equivalents of \$46.3 million.

Dr Ng Chin Siau, Group Chief Executive Officer said, "With the rising affluence and aging population in the region coupled with government initiatives focused on dentistry, dental awareness is increasing as part of the overall focus on healthcare resulting in an increasing demand for dental healthcare services. We are confident that demand for the Group's service will grow and we remain committed to expanding our operations in the region."

This news release is to be read in conjunction with the Group's announcement posted on SGXNET on 13 November 2016.

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