PRESS RELEASE

Q & M REPORTS EARNINGS OF $3.6 MILLION FOR 3Q19

- **Group revenue for 3Q19 increased by 5% to $31.1 million with higher revenue from dental and medical clinics**
- **On 17th October 2019, the first private dentistry college in Singapore, Q & M College of Dentistry, was officially launched.**

Singapore, 12 November 2019 – Q & M Dental Group (Singapore) Limited ("**Q & M**" or the "**Group**"), a leading private dental healthcare group in Asia, reported a net profit attributable to owners of the parent of $3.6 million for the three months ended 30 September 2019 ("**3Q19**").

Financial Highlights	3Q19 $'000	3Q18 $'000	% Change
Revenue[1]	31,103	29,515	5
Key Operating Expenses[2]	25,147	23,316	8
Other Expenses	1,647	1,826	(10)
Share of Profit from Equity-Accounted Associates	755	539	40
PATMI	3,642	3,618	1
PATMI Margin	*12%*	*12%*	-

[1]Revenue from dental and medical clinics and dental equipment and supplies distribution
[2]Key Operating Expenses include Consumables & Supplies Used, Dental Equipment & Supplies Distribution, Employee Benefits Expense and Rental Expense/Depreciation of Right-Of-Use Assets

Revenue contribution from dental and medical clinics increased by 6% from $27.7 million for the 3 months ended 30 September 2018 ("3Q18") to $29.2 million for the 3 months ended 30 September 2019 ("3Q19") mainly due to higher revenue from dental outlets in Singapore in 3Q19.

For the nine months ended 30 September 2019, revenue from dental and medical clinics increased by 4% to $84.7 million from $81.5 million in the previous corresponding period mainly due to higher revenue from dental outlets in Singapore.

As at 30 September 2019, the Group has a total of 77 dental outlets and 4 medical outlets in operations, compared to 72 dental outlets and 4 medical outlets as at 30 September 2018 in Singapore.

As at 30 September 2019, the Group has a total of 27 dental outlets in Malaysia and 1 dental outlet in People's Republic of China ("PRC") compared to 16 dental outlets in Malaysia and 1 dental outlet in PRC as at 30 September 2018.

Revenue contribution from the dental equipment and supplies distribution business increased by 2% from $1.8 million in 3Q18 to $1.9 million in 3Q19. The increase was mainly due to higher revenue from dental equipment and supplies distribution company in Malaysia in 3Q19.

For the nine months ended 30 September 2019, revenue from the dental equipment and supplies distribution business increased by 9% to $6.9 million from $6.3 million in the previous corresponding period due to the above reason.

Share of profit from equity-accounted associates increased by 40% from $0.5 million in 3Q18 to $0.8 million in 3Q19. The increase of $0.3 million was mainly due to higher share of profit from Aidite offset by share of loss from Aoxin Q & M in 3Q19. Aoxin Q & M suffered losses during this period mainly due to start up losses from newly opened hospitals and clinics as well as higher expenses for training dentists and staff to cater for its expansion.

Comparing nine months ended 30 September 2019 with the corresponding nine months ended 30 September 2018, share of profit from equity-accounted associates decreased by $0.4 million or 12% mainly due to the above reasons.

As at 30 September 2019, the Group has cash and cash equivalents of $19.7 million.

Dr Ng Chin Siau, Group Chief Executive Officer said, *"The 3rd quarter was a significant milestone for our Group as we officially launched the first private dental college in Singapore, Q & M College of Dentistry (Registration No. 201841969G), offering graduates diploma studies in clinical dentistry which is our way of raising the bar and contributing to the Singapore dental industry. The period of registration is from 20 June 2019 to 19 June 2021.*

The artificial intelligence (AI) –enchanced system project to manage dental problem is progressing smoothly and the prototype is targeted to be rolled out in 2020."

This news release is to be read in conjunction with the Group's announcement posted on SGXNET on 12 November 2019.

For more information, please contact:
Chief Financial Officer
Vitters Sim Tel: 6705 9888
Email: Vitters@qandm.com.sg