PRESS RELEASE

Q & M DENTAL GROUP REPORTS 28% INCREASE IN PROFIT ATTRIBUTABLE TO SHAREHOLDERS FOR 3rd QUARTER 2017

- **Net profit attributable to shareholders (excluding other gains / (losses)) increased by 34% to $3.5 million, from $2.6 million.**

- **Net cash flow from operating activities has improved to $3.5 million for 3Q17, from $577k for 3Q16.**

Singapore, 12 November 2017 – **Q & M Dental Group (Singapore) Limited** ("**Q & M**" or the "**Group**"), a leading private dental healthcare group in Asia, posted an increase of 28% in net profit attributable to shareholders to $3.6 million for the 3 months ended 30 September 2017 ("**3Q17**"), from $2.8 million for the corresponding quarter in 2016 ("**3Q16**").

After excluding other Gains / (Losses), the Group's total net profits attributable to shareholders increased by 34% to $3.5 million for 3Q17, from $2.6 million for 3Q16.

Revenue from the Group's dental and medical outlets decreased 5% to $27.6 million in 3Q17 from $29.0 million in 3Q16. The decrease of $1.4 million was mainly due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017 offset by higher revenue from existing and new dental outlets in Singapore and Malaysia. Excluding the revenue from the deconsolidation of Aoxin from a subsidiary to an associate in April 2017, revenue for the Group's dental and medical clinics increased by 8% for 3Q17 compared to 3Q16.

Revenue contribution from the dental equipment and supplies distribution business decreased 55% from $4.2 million in 3Q16 to $1.9 million in 3Q17. The decrease was mainly due to the deconsolidation of Aoxin from a subsidiary to an associate in April 2017 as well as lower revenue from the dental equipment and supplies distribution company in Singapore.

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

As at 30 September 2017, the Group has a total of 72 dental outlets, 4 medical outlets and 1 aesthetic centre in operation, compared to 70 dental outlets, 4 medical outlets, 1 aesthetic centre as at 30 September 2016 in Singapore.

As at 30 September 2017, the Group has a total of 13 dental outlets in Malaysia and 1 dental outlet in China compared to 8 dental outlets in Malaysia and 3 dental hospitals and 8 dental outlets as at 30 September 2016. The decrease in dental outlets in China is due to the spin-off and listing of Aoxin Q & M Dental Group Limited in April 2017.

For the nine months ended 30 September 2017, the Group's net profit after tax attributable to shareholders was $21.1 million, compared with $10.2 million for nine months ended 30 September 2016.

As at 30 September 2017, the Group has cash and cash equivalents of $32.0 million, MTN, bank borrowings and finance leases amounted to $84.6 million

Dr. Ng Chin Siau, Group Chief Executive Officer, said: "We are pleased to deliver a better set of results from our operations, after excluding other Gains / (Losses), from $2.6 million to $3.5 million. This reflects an increase in operational profit from our dental clinics, together with improvements in profit margins and better management of working capital. This has given us confidence in our business model of driving expansion through growth of the core business.

This strategy will be implemented in tandem with the identification, acquisition and development of new related businesses in China and elsewhere."

This news release is to be read in conjunction with the Group's announcement posted on SGXNET on 12 November 2017.

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