
**Q & M DENTAL GROUP REPORTS STABLE PROFITS
FOR 2nd QUARTER 2016**

- Net profit attributable to shareholders for 2Q16 rises by 96% to S\$3.7 million from S\$1.89 million in 2Q15 (excluding one-off gain of S\$1.8 million in 2Q15 due to sale of Jurong Property)
- Group revenue for 2Q16 increases by 26% to S\$38.32 million from S\$30.52 million
- Interim dividend of 0.42 Singapore cents per ordinary share

Singapore, 11 August 2016 – Q & M Dental Group (Singapore) Limited (“Q & M” or the “Group”), the leading private dental healthcare group in Singapore, posted a 96% increase in net profit attributable to shareholders to S\$3.7 million for the 3 months ended 30 June 2016 (“2Q16”), from S\$1.89 million for the corresponding quarter in 2015 (“2Q15”). This is not taking into account a one-off gain of S\$1.8 million in 2Q15 from the disposal of a property located at Blk 130, Jurong Gateway Road, #01-215, #01-215 and #01-217 (“Jurong Property”).

Taking into account the one-off gain from the sale of the Jurong Property, the Group recorded a marginal increase in net profit attributable to shareholders to S\$3.7 million for 2Q16 from S\$3.69 million for 2Q15.

Revenue from the Group’s dental and medical clinics for 2Q16 increased by 30% to S\$29.3 million, from S\$22.5 million in 2Q15. The increase of S\$6.2 million was attributed to higher revenue from existing and new dental outlets in Singapore coupled with acquisitions including 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 and contributions from acquisition of 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.

Revenue contribution from Aidite, the dental supplies manufacturing company, decreased 13% to S\$5.1 million for 2Q16 from S\$5.8 million in 2Q15. The decrease was mainly due to operational issues arising from the shift to a new factory location in December 2015, resulting in lower revenue. Operations have since stabilised and sales in June 2016 was higher than June 2015.

Other gains in 2Q16 amounted to S\$0.4 million compared to S\$2.1 million in 2Q15. The decrease was mainly due to the recognition of a one off gain on the sale of the Jurong Property amounting to S\$1.8 million in 2Q15.

As at 30 June 2016, the Group has a total of 68 dental outlets, 4 medical outlets and 1 aesthetic centre in operations, compared to 61 dental outlets, 1 mobile dental clinic, 3 medical outlets, 1 aesthetic centre as at the end of 30 June 2015 in Singapore.

As at 30 June 2016, the Group has a total of 8 dental outlets in Malaysia and 3 dental hospitals and 8 dental outlets in China compared to 8 dental outlets in Malaysia and 3 dental hospitals and 4 dental outlets as at the end of 30 June 2015 in China.

For the 6 months ended 30 June 2016, the Group's net profit attributable to shareholders increased by 13% to S\$7.41 million from S\$6.58 million for the corresponding period in 2015.

As at 30 June 2016, the Group has cash and cash equivalents of S\$65.5 million and medium term notes, bank borrowings and finance leases totalling S\$89.1 million.

The Directors of the Group are pleased to recommend an interim dividend of 0.42 Singapore cents per ordinary share.

Dr Ng Chin Siau, Group Chief Executive Officer said: "We believe that this latest set of financial results is showing the fruits of the Group's strategy of expansion coupled with organic growth even amidst such uncertain and challenging market conditions.

We are pleased to announce the proposed acquisition of Shenzhen New Perfect on 7 June 2016, a dental laboratory group with operations across 15 cities in China, and firmly believe that this acquisition will provide another value chain in our dental operations.

We will remain focused on executing our strategy and continue to explore opportunities for growth".

This news release is to be read in conjunction with the Group's announcement posted on SGXNET on 11 August 2016.

For more information, please contact:

Legal Counsel

Andrew Young Tel: 6705 9888 Email: Andrew@gandm.com.sg.

Chief Financial Officer

Vitters Sim Tel: 6705 9888 Email: Vitters@gandm.com.sg.