



**Condensed Financial Statement And Dividend Announcement For The Third Quarter Ended 30 September 2021 (“3Q21”)**

**1(a) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	Note	Group					
		Third Quarter			Year-To-Date		
		Q3 2021 \$'000	Q3 2020 \$'000	Change %	30/9/2021 \$'000	30/9/2020 \$'000	Change %
<b>Revenue</b>							
Dental and Medical Clinics		39,320	37,318	5	116,616	85,577	36
Medical Laboratory and Dental Equipment & Supplies		18,414	1,785	932	35,689	8,221	334
<b>Total Revenue</b>	3	<b>57,734</b>	<b>39,103</b>	48	<b>152,305</b>	<b>93,798</b>	62
<b>Other Items of Income</b>							
Interest Income		2	11	(82)	5	251	(98)
<b>Other Items of Expense</b>							
Consumables and Supplies Used in Dental & Medical Clinics		(3,687)	(3,177)	16	(10,591)	(7,083)	50
Cost of Sales - Medical Laboratory and Dental Equipment & Supplies		(5,607)	(1,642)	241	(12,025)	(4,577)	163
Employee Benefits Expense		(24,659)	(22,780)	8	(72,781)	(51,153)	42
Depreciation and Amortisation Expense		(1,104)	(866)	27	(3,025)	(2,565)	18
Depreciation of Right-Of-Use Assets		(2,912)	(1,917)	52	(7,826)	(5,378)	46
Other Expenses		(2,588)	(2,439)	6	(7,842)	(5,073)	55
Finance Costs	5	(685)	(927)	(26)	(2,249)	(3,198)	(30)
Other Gains (Losses) - Net	4	(129)	(19)	579	3,909	(161)	NM
Share of Profit (Loss) from Equity-Accounted Associates		313	626	(50)	(108)	120	NM
<b>Profit Before Tax from Continuing Operations</b>		<b>16,678</b>	<b>5,973</b>	179	<b>39,772</b>	<b>14,981</b>	165
Income Tax Expense	6	(2,740)	(911)	201	(4,357)	(1,052)	314
<b>Profit From Continuing Operations, Net of Tax</b>		<b>13,938</b>	<b>5,062</b>	175	<b>35,415</b>	<b>13,929</b>	154
<b>Other Comprehensive Income:</b>							
Exchange Differences on Translating Foreign Operations, Net of Tax		159	532	(70)	748	901	(17)
<b>Other Comprehensive Income for the Period, Net of Tax</b>		<b>159</b>	<b>532</b>	(70)	<b>748</b>	<b>901</b>	(17)
<b>Total Comprehensive Income for the Period</b>		<b>14,097</b>	<b>5,594</b>	152	<b>36,163</b>	<b>14,830</b>	144
<b>Profit Attributable to:</b>							
Owners of the Parent, Net of Tax		9,512	5,638	69	27,306	13,773	98
Non-Controlling Interests, Net of Tax		4,426	(576)	NM	8,109	156	NM
<b>Profit Net of Tax</b>		<b>13,938</b>	<b>5,062</b>	175	<b>35,415</b>	<b>13,929</b>	154
<b>Total Comprehensive Income Attributable to:</b>							
Owners of the Parent		9,667	6,158	57	28,063	14,599	92
Non-Controlling Interests		4,430	(564)	NM	8,100	231	NM
<b>Total Comprehensive Income</b>		<b>14,097</b>	<b>5,594</b>	152	<b>36,163</b>	<b>14,830</b>	144
<b>EBITDA</b>		<b>21,377<sup>1</sup></b>	<b>9,672<sup>1</sup></b>	121	<b>52,867<sup>2</sup></b>	<b>25,871<sup>2</sup></b>	104

NM: Not Meaningful

<sup>1</sup> 3 months EBITDA

<sup>2</sup> 9 months EBITDA



**Q & M Dental Group (Singapore) Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200800507R)

	Note	Group								
		Third Quarter			Year-To-Date					
		Q3 2021 \$'000	Q3 2020 \$'000	Change %	30/9/2021 \$'000	30/9/2020 \$'000	Change %			
<b>Earnings Per Share</b> Based on the Weighted Average Number of Ordinary <sup>(a)</sup> Shares on Issue – Cents Fully Diluted Basis – Cents		1.01	0.60		2.89	1.46		2.89	1.46	

NM: Not Meaningful

- (a) The basic EPS for the period ended 30 September 2021 and 30 September 2020 are based on the profit attributable to equity holders of parent, net of tax and weighted average number of ordinary shares of 944,770,352 and 944,023,794 shares respectively.



**1(b) Condensed Interim Statements of Financial Position**

	Note	Group		Company	
		As at		As at	
		30/9/2021	31/12/2020 (Restated)	30/9/2021	31/12/2020
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	8	30,833	28,884	891	930
Right-Of-Use Assets		51,284	49,521	1,239	633
Investment in Subsidiaries		-	-	61,044	65,273
Investment in Associates	9	32,213	43,743	33,384	32,964
Goodwill	10	53,788	53,791	-	-
Other Intangible Assets	11	3,657	2,814	-	-
Other Receivables		1,116	1,199	772	822
Other Assets		7,300	8,568	4,188	3,939
<b>Total Non-Current Assets</b>		<b>180,191</b>	<b>188,520</b>	<b>101,518</b>	<b>104,561</b>
<b>Current Assets</b>					
Inventories		17,536	16,092	-	-
Trade and Other Receivables		35,432	18,190	89,973	95,688
Other Assets		4,040	3,226	1,752	1,703
Cash and Cash Equivalents		49,554	48,772	4,790	5,123
<b>Total Current Assets</b>		<b>106,562</b>	<b>86,280</b>	<b>96,515</b>	<b>102,514</b>
<b>Total Assets</b>		<b>286,753</b>	<b>274,800</b>	<b>198,033</b>	<b>207,075</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity Attributable to Owners of the Parent</b>					
Share Capital	12	86,758	86,758	86,758	86,758
Treasury Shares		(10,897)	(10,897)	(10,897)	(10,897)
Retained Earnings		35,097	47,156	12,291	28,523
Other Reserves, Total		(1,180)	(1,937)	-	-
<b>Equity Attributable to Owners of the Parent, Total</b>		<b>109,778</b>	<b>121,080</b>	<b>88,152</b>	<b>104,384</b>
Non-Controlling Interests		11,715	3,615	-	-
<b>Total Equity</b>		<b>121,493</b>	<b>124,695</b>	<b>88,152</b>	<b>104,384</b>
<b>Non-Current Liabilities</b>					
Provisions		776	850	-	-
Deferred Tax Liabilities		901	1,160	-	-
Lease Liabilities Arising from Right-Of-Use Assets		44,283	42,143	1,018	509
Other Financial Liabilities	13	83,266	75,456	81,470	71,788
<b>Total Non-Current Liabilities</b>		<b>129,226</b>	<b>119,609</b>	<b>82,488</b>	<b>72,297</b>
<b>Current Liabilities</b>					
Income Tax Payable		3,945	2,633	-	-
Trade and Other Payables		22,392	16,791	26,964	29,014
Lease Liabilities Arising from Right-Of-Use Assets		9,211	9,131	169	134
Other Financial Liabilities	13	486	1,941	260	1,246
<b>Total Current Liabilities</b>		<b>36,034</b>	<b>30,496</b>	<b>27,393</b>	<b>30,394</b>
<b>Total Liabilities</b>		<b>165,260</b>	<b>150,105</b>	<b>109,881</b>	<b>102,691</b>
<b>Total Equity and Liabilities</b>		<b>286,753</b>	<b>274,800</b>	<b>198,033</b>	<b>207,075</b>



**1(c) Condensed Interim Consolidated Statement of Cash Flows**

	Group			
	Third Quarter		Year-To-Date	
	Q3 2021	Q3 2020	30/09/2021	30/09/2020
	\$'000	\$'000	\$'000	\$'000
<b>Cash Flows From (Used in) Operating Activities</b>				
Profit Before Tax	16,678	5,973	39,772	14,981
Adjustments for:				
Interest Income	(2)	(11)	(5)	(251)
Interest Expense	685	927	2,249	3,198
(Gain) Loss on Disposal of Plant and Equipment	(5)	-	(10)	43
Plant and Equipment Written Off	37	18	106	35
Share of (Profit) Loss from Equity – Associated Associates	(313)	(626)	108	(120)
Gain on Disposal of interest in Associates	-	-	(4,373)	-
Impairment of Plant and Equipment	(17)	(19)	(17)	6
Depreciation of Property, Plant and Equipment and Amortisation	1,104	866	3,025	2,565
Depreciation of Right-Of-Use Assets	2,912	1,917	7,826	5,378
Foreign Currency Translation Reserve	89	67	136	142
Provision	34	(9)	(74)	228
<b>Operating Cash Flows Before Changes in Working Capital</b>	<b>21,202</b>	<b>9,103</b>	<b>48,743</b>	<b>26,205</b>
Inventories	(338)	(52)	(1,444)	(9,036)
Trade and Other Receivables	(3,035)	2,566	(17,616)	(3,251)
Other Assets	(251)	(235)	(453)	(1,091)
Trade and Other Payables	4,368	2,857	5,598	(1,445)
Net Cash Flows From Operating Activities Before Interest and Tax	<b>21,946</b>	<b>14,239</b>	<b>34,828</b>	<b>11,382</b>
Income Taxes Paid	(1,308)	(275)	(3,303)	(947)
<b>Net Cash Flows From Operating Activities</b>	<b>20,638</b>	<b>13,964</b>	<b>31,525</b>	<b>10,435</b>
<b>Cash Flows (Used in) From Investing Activities</b>				
Purchase of Plant and Equipment	(2,537)	(643)	(4,986)	(4,270)
Purchase of Intangible Assets	(539)	(399)	(1,089)	(674)
Sale Proceeds from Disposal of Plant and Equipment	82	-	144	187
Other Assets	(509)	270	(950)	373
Trade and Other Receivables	-	(501)	375	(501)
Increase in Investment in Associate	-	(100)	(420)	(180)
Net Proceeds from Partial Disposal of Associate	-	-	17,002	47,515
Dividend Received from Associate	-	-	-	1,282
Other Receivables, Non-Current	68	5	83	20
Interest Received	2	11	5	251
<b>Net Cash Flows (Used in) From Investing Activities</b>	<b>(3,433)</b>	<b>(1,357)</b>	<b>10,164</b>	<b>44,003</b>
<b>Cash Flows Used in Financing Activities</b>				
Lease Liabilities – Principal Portion Paid	(2,980)	(1,745)	(7,504)	(4,750)
Lease Liabilities – Interest Paid	(355)	(466)	(1,177)	(1,394)
Finance Lease Repayment	(6)	(1)	(15)	(7)
Proceeds from Finance Lease	-	-	75	-
Repayment of Bank Loans	(65)	(67)	(1,369)	(1,351)
Share Buy-back	-	-	-	(1,529)
Proceeds from Term Loan	-	-	10,000	-
Bill Payables	83	-	(480)	(369)
Interest Paid	(330)	(461)	(1,072)	(1,804)
Dividends Paid to Equity Owners	(7,873)	(3,169)	(39,365)	(22,222)
<b>Net Cash Flows Used In Financing Activities</b>	<b>(11,526)</b>	<b>(5,909)</b>	<b>(40,907)</b>	<b>(33,426)</b>



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	Group			
	Third Quarter		Year-To-Date	
	Q3 2021	Q3 2020	30/09/2021	30/09/2020
	\$'000	\$'000	\$'000	\$'000
<b>Net Increase in Cash and Cash Equivalents</b>				
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance of the Period	43,875	41,567	48,772	27,253
<b>Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance of the Period</b>	<b>49,554</b>	<b>48,265</b>	<b>49,554</b>	<b>48,265</b>
<b>Cash and Cash Equivalents at End of Period includes the following:</b>				
Cash and Bank Balances	49,554	48,265	49,554	48,265
<b>Cash and Cash Equivalents at End of Period</b>	<b>49,554</b>	<b>48,265</b>	<b>49,554</b>	<b>48,265</b>



**1(d)(i) Condensed Interim Statements of Changes in Equity**

	<u>Total Equity</u>	<u>Attributable to Parent Sub-total</u>	<u>Share Capital</u>	<u>Retained Earnings</u>	<u>Treasury Shares</u>	<u>Other Reserves</u>	<u>Non-Controlling Interest</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group - Current period</b>							
Opening Balance at 1 January 2021	124,695	121,080	86,758	47,156	(10,897)	(1,937)	3,615
<b>Movements in Equity:</b>							
Total Comprehensive Income for the Period	36,163	28,063	-	27,306	-	757	8,100
Dividends Paid (Note 7)	(39,365)	(39,365)	-	(39,365)	-	-	-
Closing Balance at 30 September 2021	121,493	109,778	86,758	35,097	(10,897)	(1,180)	11,715
<b>Group - Previous period</b>							
Opening Balance at 1 January 2020	123,130	121,973	86,758	49,677	(11,558)	(2,904)	1,157
<b>Movements in Equity:</b>							
Total Comprehensive Income for the Period	14,830	14,599	-	13,773	-	826	231
Share Buy Back	(1,529)	(1,529)	-	-	(1,529)	-	-
Issue of Share Capital	2,190	2,190	-	-	2,190	-	-
Dividends Paid (Note 7)	(22,222)	(22,222)	-	(22,222)	-	-	-
Contribution by Non-Controlling Interest	2,240	-	-	-	-	-	2,240
Closing Balance at 30 September 2020	118,639	115,011	86,758	41,228	(10,897)	(2,078)	3,628



**1(d)(ii) Condensed Interim Statements of Changes in Equity**

	<u>Total Equity</u>	<u>Share Capital</u>	<u>Treasury Shares</u>	<u>Other Reserve</u>	<u>Retained Earnings</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Company - Current period</b>					
Opening Balance at 1 January 2021	104,384	86,758	(10,897)	-	28,523
<b>Movements in Equity:</b>					
Total Comprehensive Income for the Period	23,133	-	-	-	23,133
Dividends Paid (Note 7)	(39,365)	-	-	-	(39,365)
Closing Balance at 30 September 2021	88,152	86,758	(10,897)	-	12,291
<b>Company - Previous period</b>					
Opening Balance at 1 January 2020	106,921	86,758	(11,558)	-	31,721
<b>Movements in Equity:</b>					
Total Comprehensive Income for the Period	1,702	-	-	-	1,702
Share Buy Back	(1,529)	-	(1,529)	-	-
Issue of Share Capital	2,190	-	2,190	-	-
Dividends Paid (Note 7)	(22,222)	-	-	-	(22,222)
Closing Balance at 30 September 2020	87,062	86,758	(10,897)	-	11,201



**1(e) Notes to the Condensed Interim Financial Statements**  
**30 September 2021**

**1. General**

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the Company (referred to as “parent”) and the subsidiaries. The registered office is: 2 Clementi Loop, #04-01 Logis Hub @ Clementi, Singapore 129809. The Company is situated in Singapore.

The board of directors approved and authorised these condensed financial statements for issue on the date of this announcement. The directors have the power to amend and reissue the financial statements.

The principal activities of the Company are the provision of management and consultancy services and investment holding. It is listed on the Singapore Exchange Securities Trading Limited, (“SGX-ST”).

The principal activities of the group are disclosed in Note 2 on segment information.

The financial information contained in this announcement has neither been audited nor review by the auditors.

The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**Basis of presentation**

These condensed consolidated interim financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS (I) s”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. They are also in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and the provisions of the SGX Mainboard Listing Rules.

The accounting policies and methods of computation applied in these condensed consolidated interim financial statements are consistent with those of the latest audited annual financial statements for the reporting year ended 31 December 2020. However, the typical notes and information included in the latest audited annual financial statements are not included in these interim financial statements except for the selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position of the group since the latest audited annual financial statements.

**New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.





### **Critical judgements, assumptions and estimation uncertainties**

These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates. The nature and the carrying amount of such significant assets and liabilities are disclose with further details in the relevant Notes to these condensed consolidated interim financial statements.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

## **2. Financial information by operating segments**

### **2A. Information about reportable segment profit or loss, assets and liabilities**

The following summary describes the operations in each of the Group's operating segments:

- (i) Primary healthcare comprising dentistry, family medicine, aesthetic services and others.
- (ii) Medical laboratory and dental equipment and supplies comprising sale and distribution of Covid-19 test kits and provision of laboratory testing and distribution of dental supplies and equipment.



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**2B(i). Profit or loss for the 3 months ended 30 September from continuing operations and reconciliations**

	<u>Primary Healthcare</u>		<u>Medical Laboratory and Dental Equipment &amp; Supplies</u>		<u>Unallocated – Investment in Associates</u>		<u>Consolidated</u>	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Revenue by segment	39,386	37,384	19,882	2,881	-	-	59,268	40,265
Inter-segment sales	(66)	(66)	(1,468)	(1,096)	-	-	(1,534)	(1,162)
<b>Total revenue</b>	<b>39,320</b>	<b>37,318</b>	<b>18,414</b>	<b>1,785</b>	<b>-</b>	<b>-</b>	<b>57,734</b>	<b>39,103</b>
Segment results	9,966	9,063	11,100	(1,041)	313	626	21,379	8,648
Job support scheme and rental rebate	-	986	-	49	-	-	-	1,035
Segment results	9,966	10,049	11,100	(992)	313	626	21,379	9,683
Finance costs							(685)	(927)
Depreciation of plant and equipment							(985)	(802)
Depreciation right-of-use assets							(2,912)	(1,917)
Amortisation of intangible assets							(119)	(64)
Profit before income tax							16,678	5,973
Income tax expense							(2,740)	(911)
<b>Profit, net of tax</b>							<b>13,938</b>	<b>5,062</b>
<b>Expenditure for non-current assets</b>								
Property, plant and equipment	(1,224)	(454)	(1,313)	(189)	-	-	(2,537)	(643)
<b>Other material non-cash items</b>								
Depreciation of plant and equipment	(873)	(758)	(112)	(44)	-	-	(985)	(802)
Depreciation right-of-use assets	(2,864)	(1,917)	(48)	-	-	-	(2,912)	(1,917)
Amortisation of intangible assets	(63)	(64)	(56)	-	-	-	(119)	(64)
Finance costs	(678)	(926)	(7)	(1)	-	-	(685)	(927)
Allowance on inventories	-	-	(95)	-	-	-	(95)	-
Allowance on trade receivables	-	-	(17)	-	-	-	(17)	-
Allowance on plant and equipment	17	19	-	-	-	-	17	19



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**2B(ii). Profit or loss for the 9 months ended 30 September from continuing operations and reconciliations**

	<u>Primary Healthcare</u>		<u>Medical Laboratory and Dental Equipment &amp; Supplies</u>		<u>Unallocated – Investment in Associates</u>		<u>Consolidated</u>	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Revenue by segment	116,814	85,775	39,750	10,703	-	-	156,564	96,478
Inter-segment sales	(198)	(198)	(4,061)	(2,482)	-	-	(4,259)	(2,680)
<b>Total revenue</b>	<b>116,616</b>	<b>85,577</b>	<b>35,689</b>	<b>8,221</b>	<b>-</b>	<b>-</b>	<b>152,305</b>	<b>93,798</b>
Segment results	28,232	19,544	19,773	977	4,265	120	52,270	20,641
Job support scheme and rental rebate	522	5,413	80	68	-	-	602	5,481
Segment results	28,754	24,957	19,853	1,045	4,265	120	52,872	26,122
Finance costs							(2,249)	(3,198)
Depreciation of plant and equipment							(2,779)	(2,374)
Depreciation right-of-use assets							(7,826)	(5,378)
Amortisation of intangible assets							(246)	(191)
Profit before income tax							39,772	14,981
Income tax expense							(4,357)	(1,052)
<b>Profit, net of tax</b>							<b>35,415</b>	<b>13,929</b>
<b>Expenditure for non-current assets</b>								
Property, plant and equipment	(3,425)	(2,056)	(1,561)	(2,214)	-	-	(4,986)	(4,270)
<b>Other material non-cash items</b>								
Depreciation of plant and equipment	(2,436)	(2,255)	(343)	(119)	-	-	(2,779)	(2,374)
Depreciation right-of-use assets	(7,712)	(5,353)	(114)	(25)	-	-	(7,826)	(5,378)
Amortisation of intangible assets	(190)	(191)	(56)	-	-	-	(246)	(191)
Finance costs	(2,219)	(3,197)	(30)	(1)	-	-	(2,249)	(3,198)
Gain on deemed disposal of associate	-	-	-	-	4,373	-	4,373	-
Allowance on inventories	-	-	(283)	-	-	-	(283)	-
Allowance on trade receivables	-	-	(55)	-	-	-	(55)	-
Allowance on plant and equipment	17	(6)	-	-	-	-	17	(6)



## 2C. Assets and reconciliation

	As at	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
<u>Segment assets</u>		
Primary healthcare	203,570	204,774
Medical laboratory and dental equipment and supplies	50,970	26,283
Unallocated – investment in associates	32,213	43,743
Total	<u>286,753</u>	<u>274,800</u>

## 2D. Liabilities and reconciliation

	As at	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
<u>Segment liabilities</u>		
Primary healthcare	153,177	146,210
Medical laboratory and dental equipment and supplies	12,083	3,895
Total	<u>165,260</u>	<u>150,105</u>

## 2E. Geographical information

The Group operations are primarily in Singapore, Malaysia and China.

	3 months ended 30 Sep		9 months ended 30 Sep	
	<u>2021</u> \$'000	<u>2020</u> \$'000	<u>2021</u> \$'000	<u>2020</u> \$'000
<u>Revenue</u>				
Singapore	54,849	36,066	144,165	86,308
Malaysia	2,572	2,675	7,259	6,554
China	313	362	881	936
Total	<u>57,734</u>	<u>39,103</u>	<u>152,305</u>	<u>93,798</u>

	As at	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
<u>Non-current assets</u>		
Singapore	144,016	138,116
Malaysia	3,546	4,227
China	32,629	46,177
Total	<u>180,191</u>	<u>188,520</u>

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located.



**Q & M Dental Group (Singapore) Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200800507R)

**3. Revenue**

	3 months ended 30 Sep		9 months ended 30 Sep	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$'000	\$'000	\$'000	\$'000
Dental, medical and laboratory testing services	54,987	36,479	143,504	84,147
Sales of goods	2,058	2,039	5,772	6,414
Profit guarantee income	381	66	2,001	2,172
Rental income	111	98	435	349
Other income	197	421	593	716
<b>Total revenue</b>	<u>57,734</u>	<u>39,103</u>	<u>152,305</u>	<u>93,798</u>

**4. Other gains and (other losses)**

	3 months ended 30 Sep		9 months ended 30 Sep	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$'000	\$'000	\$'000	\$'000
Gain (loss) on disposal of plant and equipment	5	-	10	(43)
Plant and equipment written off	(37)	(18)	(106)	(35)
Foreign exchange translation loss	(2)	(20)	(47)	(77)
Gain on deem disposal of associate	-	-	4,373	-
Impairment allowance on other receivables	(17)	-	(55)	-
Impairment allowance on plant and equipment – charge (reversal)	17	19	17	(6)
Impairment allowance on inventories	(95)	-	(283)	-
<b>Net</b>	<u>(129)</u>	<u>(19)</u>	<u>3,909</u>	<u>(161)</u>

**5. Finance costs**

	3 months ended 30 Sep		9 months ended 30 Sep	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$'000	\$'000	\$'000	\$'000
Interest on borrowings	330	461	1,072	1,804
Interest on lease liabilities	355	466	1,177	1,394
<b>Net</b>	<u>685</u>	<u>927</u>	<u>2,249</u>	<u>3,198</u>



## 6. Income tax expense

### Components of tax expense recognised in profit or loss include:

	3 months ended 30 Sep		9 months ended 30 Sep	
	<u>2021</u>	<u>2020</u>	<u>2021</u>	<u>2020</u>
	\$'000	\$'000	\$'000	\$'000
<u>Current tax expense:</u>				
Current tax expense	3,049	921	4,549	946
(Over) under adjustments in respect of prior periods	<u>(62)</u>	<u>1</u>	<u>65</u>	<u>105</u>
Subtotal	<u>2,987</u>	<u>922</u>	<u>4,614</u>	<u>1,051</u>
<u>Deferred tax income:</u>				
Deferred tax income	(11)	(11)	(32)	(32)
(Over) under adjustments in respect of prior periods	<u>(236)</u>	<u>-</u>	<u>(225)</u>	<u>33</u>
Subtotal	<u>(247)</u>	<u>(11)</u>	<u>(257)</u>	<u>1</u>
Total income tax expense	<u>2,740</u>	<u>911</u>	<u>4,357</u>	<u>1,052</u>

## 7. Dividends on equity shares

	Group	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
Interim tax exempt dividend paid of \$0.0242 with respect of FY2019	-	19,053
Interim tax exempt dividend paid of \$0.004 with respect of 1H2020	-	3,169
Second interim tax exempt dividend paid of \$0.025 with respect of FY2020	19,683	-
Final tax exempt dividend paid of \$0.005 with respect of FY2020	3,936	-
First tax exempt dividend paid of \$0.010 with respect of 1Q2021	7,873	-
Second interim tax exempt dividend paid of \$0.01 with respect of 2Q2021	<u>7,873</u>	<u>-</u>
	<u>39,365</u>	<u>22,222</u>

## 8. Property, plant and equipment

During the nine months ended 30 September 2021, the Group acquired assets amounting to \$4,986,000 (30 September 2020: \$4,270,000) and disposed of assets amounting to \$240,000 (30 September 2020: \$265,000).



## 9. Investment in associates

	Group As at	
	30 Sep 2021 \$'000	31 Dec 2020 \$'000
Movements in carrying value:		
Balance at beginning of the year	43,743	42,026
Additions	420	496
Disposals	(12,623)	-
Foreign currency translation adjustment	781	1,062
Share of (loss) profit for the year	(108)	159
	32,213	43,743

On 8 April 2021, the Group announced the completion of the proposed collective disposal of the balance 12.3% registered capital of Aidite Qinhuangdao ("Aidite").

## 10. Goodwill

Goodwill that have an indefinite useful life are tested for impairment annually, or more frequently if events or changes in circumstances indicated that it might be impaired. No impairment indicators were identified as at 30 September 2021 based on the CGU's business performance.

There was no movement on the amount of goodwill. Since the beginning of the reporting year, there were no changes in the circumstances and key assumptions.

## 11. Other intangible assets

	Development costs \$'000	Customer lists \$'000	Total \$'000
As at 31 December 2020:			
Cost	1,298	2,764	4,062
Accumulated amortisation and impairment	-	(1,248)	(1,248)
Carrying amounts	1,298	1,516	2,814
Cost			
As at 1 January 2021	1,298	2,764	4,062
Additions	1,089	-	1,089
As at 30 September 2021	2,387	2,764	5,151
Accumulated amortisation and impairment			
As at 1 January 2021	-	1,248	1,248
Amortisation	-	246	246
As at 30 September 2021	-	1,494	1,494
Carrying amounts at 30 September 2021	2,387	1,270	3,657



## 12. Share capital

	Number of shares <u>issued</u> '000	Share capital \$'000
Ordinary shares of no par value:		
Balance at 31 December 2020	804,887	86,758
Bonus issue <sup>(a)</sup>	<u>160,978</u>	<u>-</u>
Balance at 30 September 2021	<u>965,865</u>	<u>86,758</u>

<sup>(a)</sup> On 7 September 2021, 160,977,547 bonus shares had been allotted and issued.

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income.

On 7 September 2021, the Company received 3,515,835 bonus treasury shares.

The Company has 21,095,008 treasury shares as at 30 September 2021 (30 September 2020: 17,579,173) and there is no subsidiary holdings as at 30 September 2021 (30 September 2020: Nil).

	As at 30 Sep <u>2021</u>	As at 31 Dec <u>2020</u>
Total number of issued shares excluding treasury shares	<u>944,770,352</u>	<u>787,308,627</u>

There were no sales, transfer, disposals, cancellation and/or use of treasury shares as at end of current financial period reported on.

## 13. Other financial liabilities

	Group As at		Company As at	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
<u>Non-current:</u>				
Bank loans	83,179	73,563	81,470	71,788
Finance leases	87	36	-	-
Redeemable preference shares	-	1,857	-	-
Non-current, total	<u>83,266</u>	<u>75,456</u>	<u>81,470</u>	<u>71,788</u>
<u>Current:</u>				
Bank loans	386	1,371	260	1,246
Finance leases	18	8	-	-
Bills payable	82	562	-	-
Current, total	<u>486</u>	<u>1,941</u>	<u>260</u>	<u>1,246</u>
Total	<u>83,752</u>	<u>77,397</u>	<u>81,730</u>	<u>73,034</u>





**13. Other financial liabilities (cont'd)**

**13A. Bank loans**

	Group As at		Company As at	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
Amount repayable within one year	386	1,371	260	1,246
Amount repayable after one year	<u>83,179</u>	<u>73,563</u>	<u>81,470</u>	<u>71,788</u>

Bank loans amounting to \$7.6 million (31 December 2020: \$7.9 million) are secured by legal mortgage of the Group's properties and covered by corporate guarantee from the Company.

**13B. Finance leases**

	Group As at	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
Amount repayable within one year	18	8
Amount repayable after one year	<u>87</u>	<u>36</u>

The finance leases are secured on the plant and equipment under finance leases.

**13C. Bills payable**

	Group As at	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
Amount repayable within one year	<u>82</u>	<u>562</u>

The bills payable of the subsidiary are secured or covered by the following:

- (i) Facilities Agreement;
- (ii) Corporate guarantee by the Company;
- (iii) Jointly and severally guarantees by certain directors of the subsidiary;
- (iv) Negative pledge;
- (v) Fixed deposit; and
- (vi) Trade Financing General Agreement from the subsidiary.

The bill payables of the Group have maturity period of 90 days (2020: 90 days).



**13. Other financial liabilities (cont'd)**

**13C. Redeemable preference shares**

	Group As at	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
Amount repayable after one year	<u>-</u>	<u>1,857</u>

On 8 April 2021, the Group announced the completion of the proposed collective disposal of the balance 12.3% registered capital of Aidite.

**14. Categories of financial assets and liabilities**

The following table categories the carrying amount of financial assets and liabilities recorded at the end of the reporting period:

	Group As at		Company As at	
	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000	30 Sep <u>2021</u> \$'000	31 Dec <u>2020</u> \$'000
<u>Financial assets:</u>				
Financial assets at amortised cost	<u>86,102</u>	<u>68,161</u>	<u>95,535</u>	<u>101,633</u>
At end of the period	<u>88,102</u>	<u>68,161</u>	<u>95,535</u>	<u>101,633</u>
<u>Financial liabilities</u>				
Financial liabilities at amortised cost	<u>159,638</u>	<u>145,462</u>	<u>109,881</u>	<u>102,691</u>
At end of period	<u>159,638</u>	<u>145,462</u>	<u>109,881</u>	<u>102,691</u>

**15. Net asset value**

	Group As at		Company As at	
	30 Sep <u>2021</u>	31 Dec <u>2020</u>	30 Sep <u>2021</u>	31 Dec <u>2020</u>
Net assets value per ordinary share (cents)	<u>11.6</u>	<u>12.8</u>	<u>9.3</u>	<u>11.0</u>

The net asset value per ordinary share of the Group and the Company as at 30 September 2021 has been calculated based on the total issued number of ordinary shares excluding treasury shares of 944,770,352 (2020: 944,770,352).

**16. Events after the end of the reporting period**

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.



## 17. Reclassifications and restatement of comparative figures

Certain reclassifications and restatements were made in the balances in the financial statements for last year. The material changes in the balances included the following:

		After \$'000	Before \$'000	Difference \$'000
<u>31.12.2020 Statement of Financial Position:</u>				
Goodwill	10	53,791	53,144	647
Intangible assets	11	2,814	2,441	373
Trade and other payables		(16,791)	(16,541)	(250)
Non-controlling interests		<u>(3,615)</u>	<u>(2,845)</u>	<u>(770)</u>

Restatement has been made to recognise goodwill, intangible assets, trade and other payables and non-controlling interests for the reporting year ended 31 December 2020 following the finalisation of the purchase price allocation exercise to restate the identified assets and liabilities at fair value.



## **Other Information Required by Listing Rule 7.2**

- 1. Whether the figures have been audited or reviewed and in accordance with auditing standards or practice.**

The condensed interim consolidated financial statement and notes for the third quarter ended 30 September 2021 have not been reviewed / audited by the Company's auditor.

- 2. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:**
  - a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

### **Statement of Comprehensive Income**

#### **Revenue**

As at 30 September 2021, the Group has 90 dental outlets, 5 medical outlets and 1 dental college in operations in Singapore, compared to 81 dental outlets, 5 medical outlets and 1 dental college as at 30 September 2020. The Company is committed to open 9 new clinics in Singapore by the end of the year.

As at 30 September 2021, the Group has 37 dental outlets in Malaysia and 1 dental outlet in People's Republic of China ("PRC") compared to 33 dental outlets in Malaysia and 1 dental outlet in PRC as at 30 September 2020. The Company is committed to open 2 new clinics in Malaysia by the end of the year.

Revenue contribution from medical laboratory and dental equipment & supplies increased by 932% from \$1.8 million in 3Q20 to \$18.4 million in 3Q21. The increase was mainly due to revenue from Covid-19 test kits and testing from the Group's Covid-19 medical laboratory business. The medical laboratory license from MOH was obtained in September 2020.

Total revenue increased by 48% from \$39.1 million for the three months ended 30 September 2020 to \$57.7 million for the three months ended 30 September 2021. The increase was mainly due to the revenue from the Group's Covid-19 medical laboratory business.

Total revenue increased by 62% from \$93.8 million for the nine months ended 30 September 2020 to \$152.3 million for the nine months ended 30 September 2021 for the same reasons given above.



### **Other Gain – Net**

Other gain was \$3.9 million for the nine months ended 30 September 2021 as compared to a loss of \$0.2 million for the nine months ended 30 September 2020 mainly due to profit on disposal of Aidite in 1Q21.

### **Other Items of Expense**

#### Consumables and Supplies Used in Dental & Medical Clinics

Consumables and supplies used increased by 16% from \$3.2 million in 3Q20 to \$3.7 million in 3Q21. The increase of \$0.5 million was mainly attributable to increase in revenue as well as increased in usage of personnel protection equipment (“PPE”) to protect our staff.

As a percentage of revenue from the dental and medical outlets, consumables and supplies used in the dental and medical outlets in 3Q21 was 9.4% compared to 8.5% in 3Q20.

Comparing 9 months ended 30 September 2021 with 30 September 2020, consumables and supplies used in dental and medical clinics increased by 50% or \$3.5 million which was due to the increase in revenue as well as increased usage of PPE due to the Covid-19 pandemic.

#### Cost of Sales from Medical Laboratory and Dental Equipment & Supplies

The cost of sales from medical laboratory and dental equipment & supplies increased by 241% from \$1.6 million in 3Q20 to \$5.6 million in 3Q21. The increase was mainly due to the increase in revenue of Acumen Diagnostics Pte. Ltd. (“Acumen”).

As a percentage of revenue from medical laboratory, cost of sales used in medical laboratory in 3Q21 was 30.4% compared to 92.0% in 3Q20.

Comparing 9 months ended 30 September 2021 with 30 September 2020, cost of sales from medical laboratory increased by 163% or \$7.4 million for the same reason given above.

#### Employee Benefits Expense

Employee benefits expense, which include professional fees paid to dentists, increased by 8% from \$22.8 million in 3Q20 to \$24.7 million in 3Q21. The increase of \$1.9 million was mainly due to increase in revenue from existing and new dental outlets in Singapore in 3Q21 and the increase in revenue and employee benefits expenses from Acumen, a medical laboratory, in 3Q21. 3Q20 employee benefits expense was reduced by \$3.0 million Job Support Scheme received in 3Q20.

As a percentage of revenue, employee benefits expense in 3Q21 was 42.7% compared to 58.3% in 3Q20.

Comparing 9 months ended 30 September 2021 with 30 September 2020, employee benefits expense increased by 42% or \$21.6 million. Employee benefits expense for the nine months ended 30 September 2020 was reduced by \$2.6 million in Job Support Scheme received and reversal of over provision of employee benefits expense.



#### Depreciation and Amortisation Expense

Depreciation and amortisation expense increased by 27% from \$0.9 million in 3Q20 to \$1.1 million in 3Q21. The increase of \$0.2 million was mainly to higher depreciation and amortisation expense from the medical laboratory in Singapore for 3Q21.

As a percentage of revenue, depreciation and amortisation expense in 3Q21 was 1.9% compared to 2.2% in 3Q20.

Comparing 9 months ended 30 September 2021 with 30 September 2020, depreciation and amortisation expense increased by 18% or \$0.5 million for the same reasons given above.

#### Depreciation of Right-Of-Use (“ROU”) Assets

Excluding the effect of rental rebate, depreciation of ROU assets increased by 11% from \$2.6 million in 3Q20 to \$2.9 million in 3Q21.

As a percentage of revenue, depreciation of ROU assets in 3Q21 was 5.0% compared to 6.7% in 3Q20.

Comparing 9 months ended 30 September 2021 with 30 September 2020, depreciation of ROU assets, excluding the effect of rental rebate, increased by 2% or \$0.2 million.

#### Other Expenses

Other expenses increased by 6% from \$2.4 million in 3Q20 to \$2.6 million in 3Q21. The increase of \$0.2 million was mainly due to higher revenue in 3Q21 which resulted in higher incidental expenses like credit card charges, increase in biomedical waste disposal fee arising from the medical laboratory and increase in marketing expenses.

As a percentage of revenue, other expenses in 3Q21 was 4.5% compared to 6.2% in 3Q20.

Comparing 9 months ended 30 September 2021 with 30 September 2020, other expenses increased by 55% or \$2.8 million for the same reasons given above.

#### Finance Costs

Finance costs decreased by 26% from \$0.9 million in 3Q20 to \$0.7 million in 3Q21. The decrease was mainly due to lower interest expense in 3Q21 as a result of lower interest rate.

As a percentage of revenue, finance costs in 3Q21 was 1.2% compared to 2.4% in 3Q20.

Comparing 9 months ended 30 September 2021 with 30 September 2020, finance costs decreased by 30% or \$0.9 million for the same reason give above.

#### Share of Gain from Equity-Accounted Associate

Share of profit amounted to \$0.3 million in 3Q21 was due to the 43.9% equity-accounted associate, Aoxin Q & M. Share of profit in 3Q20 includes the share of profit from Aidite which was disposed by the Group in 1Q21.



### **Profit Before Tax and Net Profit**

For the reasons given above, the Group's profit before tax increased by 179% from \$6.0 million in 3Q20 to \$16.7 million in 3Q21.

Income tax expense increased by 201% from \$0.9 million in 3Q20 to \$2.7 million in 3Q21. The increase of \$1.8 million was mainly due to profit from Acumen.

After deducting provision for income tax expense of \$2.7 million, the Group's net profit increased by 175% from \$5.1 million in 3Q20 to \$13.9 million in 3Q21.

For the nine months ended 30 September 2021, the Group's net profit after tax increased by 154% to \$35.4 million compared to \$13.9 million for the nine months ended 30 September 2020.

Profit after tax attributable to owners of the parent increased by 98% from \$13.8 million for the nine months ended 30 September 2020 to \$27.3 million for the nine months ended 30 September 2021.

### **Statement of Financial Position**

As at 30 September 2021, the Group has cash and cash equivalents of \$49.6 million, bank borrowings plus finance leases amounted to \$83.8 million. As at 31 December 2020, the Group has cash and cash equivalents of \$48.8 million, bank borrowings plus finance leases amounting to \$77.4 million.

### **Current Assets**

Cash and cash equivalents as at 30 September 2021 increased to \$49.6 million from \$48.8 million as at 31 December 2020. The increase of \$0.8 million was mainly due to proceeds from new term loan of \$10.0 million, \$17.0 million of net proceeds from disposal of the remaining 12.246% of equity-accounted associate, Aidite (Qinhuangdao) Technology Co and net cash generated from operations offset by dividend payment of \$39.4 million to shareholders.

Trade and other receivables as at 30 September 2021 increased to \$35.4 million from \$18.2 million as at 31 December 2020. The increase of \$17.2 million was mainly due to increase in trade receivables from the medical laboratory Covid-19 testing business and profit guarantee receivables from vendors of Aoxin Q & M Dental Group Limited, an equity-accounted associate of the Company.

Other assets as at 30 September 2021 increased to \$4.0 million from \$3.2 million as at 31 December 2020. The increase of \$0.8 million was mainly due to an increase in sign on bonus for dentists.

### **Non-Current Assets**

The net book value of property, plant and equipment as at 30 September 2021 increased to \$30.8 million from \$28.9 million as at 31 December 2020. The increase of \$1.9 million was





mainly due to the purchase of equipment for the medical laboratory in Singapore and opening of new dental clinics in Singapore offset by depreciation of plant and equipment.

The net book value of ROU assets as at 30 September 2021 increased to \$51.3 million from \$49.5 million as at 31 December 2020. The increase was due to the opening of new dental clinics in Singapore offset by depreciation of the ROU assets.

Investment in associates as at 30 September 2021 decreased to \$32.2 million from \$43.7 million as at 31 December 2020. The decrease of \$11.5 million was mainly due to the disposal of the balance 12.246% of equity-accounted associate, Aidite.

Other assets as at 30 September 2021 decreased to \$7.3 million from \$8.6 million as at 31 December 2020. The decrease of \$1.3 million was mainly due to the redemption of \$1.9 million redeemable preference shares held in trust in Aidite as a result of the disposal of the balance 12.246% of equity-accounted associate, Aidite and offset by an increase in sign on bonus for dentists.

Other Intangible assets as at 30 September 2021 increased to \$3.7 million from \$2.8 million as at 31 December 2020. The increase of \$1.1 million was mainly due to the cost for developing the Artificial Intelligence (AI) guided clinical decision support system.

### **Current Liabilities**

Trade and other payables as at 30 September 2021 increased to \$22.4 million from \$16.8 million as at 31 December 2020. The increase of \$5.6 million was mainly due to the increase of trade payables from the medical laboratory in Singapore.

Other financial liabilities as at 30 September 2021 decreased to \$0.5 million from \$1.9 million as at 31 December 2020. The decrease of \$1.4 million was mainly due to redemption of bank loan.

### **Non-Current Liabilities**

Other financial liabilities as at 30 September 2021 increased to \$83.3 million from \$75.5 million as at 31 December 200. The increase of \$7.8 million was mainly due to proceeds from new term loan of \$10.0 million offset by the redemption of redeemable preference shares held in trust in Aidite.

Lease liabilities from ROU assets as at 30 September 2021 increased to \$44.3 million from \$42.1 million as at 31 December 2020. The increase was mainly due to opening of new dental clinics in Singapore offset by the repayment of the operating lease and reclassification from non-current liabilities to current liabilities.

### **Statement of Cash Flows**

The Group generated net cash flow from operating activities of \$20.6 million in 3Q21. This was mainly derived from the profit generated from operations in 3Q21.

Net cash used in investing activities in 3Q21 amounted to \$3.4 million, mainly due to purchase of plant and equipment for the existing clinics and new dental clinics.

Net cash used in financing activities in 3Q21 was \$11.5 million, mainly due to dividend payment to shareholders and repayment of lease liabilities arising from right-of use assets.





Consequent to the above factors, the Group's cash and cash equivalents was \$49.6 million as at 30 September 2021.

**3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast had been issued for the current financial reporting period. The financial results are in line with the expectations as disclosed in previous quarterly announcement.

**4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.**

### **Industry Prospects**

Singapore has progressively reopened its economy with economic output returning to its pre-pandemic level in the third quarter 2021.

Barring any unforeseen circumstances and possible worsening of the Covid-19 situation in the world and Singapore, there are no known significant changes in the trends and competitive conditions of the industry in which the Group operates and no other major known factors or events that may adversely affect the Group in the next reporting period and the next 12 months.

### **Recent Developments**

- Update on the Company's Singapore Operations

The Company has opened 3 new clinics in Canberra, Bedok Reservoir and IMM shopping centre in 3Q21. The Company has also identified locations to open 9 new dental clinics island wide.

- Update on the Company's Malaysia Operations

The Company has identified locations to open 5 new dental clinics in Selangor and Johor.



- Incorporation of New Subsidiaries in Singapore

On 25 August 2021, the Company announced the incorporation of 10 wholly-owned subsidiaries in Singapore. The newly incorporated subsidiaries are:

1. Q & M Dental Surgery (Bedok Reservoir) Pte. Ltd.
2. Q & M Dental Surgery (Sengkang MRT) Pte. Ltd.
3. Q & M Dental Surgery (Jurong) Pte. Ltd.
4. Q & M Dental Centre (Jurong East) Pte. Ltd.
5. Q & M Dental Surgery (Balestier) Pte. Ltd.
6. Q & M Dental Surgery (Kim Tian) Pte. Ltd.
7. Q & M Dental Surgery (Yishun) Pte. Ltd.
8. Q & M Dental Surgery (Choa Chu Kang) Pte. Ltd.
9. Q & M Dental Surgery (Aljunied) Pte. Ltd.
10. Q & M Dental Surgery (North Bridge) Pte. Ltd.

- Proposed Bonus Issue – Listing and Quotation of Bonus Shares

On 7 September 2021, the Company allotted and issued 160,977,547 bonus shares. Following the allotment and issue of the bonus shares, the total number of issued shares of the Company has increased from 804,887,800 to 965,865,347 shares.

- Proposed Joint Venture in Respect of Acumen Diagnostics Pte. Ltd. with Aoxin Q & M Dental Group Limited

Following the approval of the shareholders of Aoxin Q & M Dental Group Limited (“Aoxin”) at an extraordinary general meeting on 29 October 2021, the Company’s effective interest in Acumen Diagnostics Pte. Ltd. will increase from 51% to 67.15% and the Company’s direct shareholding of Aoxin will be reduced from 43.9% to 32.95%.

- Exercise of Call Option

On 21 October 2021, the Company announced that the Company is in the process of completing the proposed acquisition of Acumen Research Laboratories Pte. Ltd. (“ARL”) through the Group’s 51% subsidiary, Acumen Diagnostics Pte. Ltd. (“ADPL”).

On 1 November 2021, the Company announced the completion of the acquisition of ARL by ADPL.



## **Future Plans**

The Group intends to continue executing the business plans outlined below.

- Expansion of network of dental clinics in Singapore and Malaysia

Currently, the Group operates 90 clinics in Singapore. The Group will be focusing on its operations in Singapore and has initiated a strategy of intensive organic growth of its dental clinics in Singapore. It will expand its team of dentists to support the future growth of its operations in Singapore. We will continue to develop, invest and optimise our digital Artificial Intelligence (AI) guided clinical decision support system to provide the most effective and suitable treatment plans for patient. The Group believes it is well-positioned to cater to the rising demand for primary and higher value specialist dental healthcare services to its patients/customers.

Currently, the Group operates 38 clinics in Malaysia. The clinics are 16 dental clinics in Johor, 16 dental clinics in Kuala Lumpur, 5 dental clinics in Malacca and 1 in Negri Sembilan.

The Group has committed to open 9 new clinics in Singapore and 2 new clinics in Malaysia by the end of the year.

The Group intends to open at least 30 dental clinics a year from 2021 onwards in Singapore and Malaysia for the next 10 years. The eventual number of dental outlets will depend on available opportunities, pertinent market conditions and the evolving Covid-19 situation.

- Expansion into private dental healthcare market in the People's Republic of China ("PRC")

The main thrust of the Group's proposed expansion in PRC is through organic growth to develop a new and sustainable growth pillar that can yield long term value for the Group.

- Expansion in Southeast Asia

The Group is continuously looking for opportunities to expand its business through opening new dental clinics in Southeast Asia.

- Medical Laboratory

The Group will focus on rolling out its clinical testing laboratory pipeline of new tests including PCR assays for dengue sepsis and identification of bacterial pathogens and their associated antibiotics resistance in pneumonia and bloodstream infections.



**5. Dividend**

**(a) Current Financial Period Reported On**

**Any dividend declared for the current financial period reported on? Yes**

Name of dividend	Third Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.0 cent per ordinary share
Tax Rate	One Tier Tax Exempt

**(b) Corresponding Period of the immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year? No**

**(c) The date the dividend is payable.**

The dividend will be paid on 3 December 2021.

**(d) Book closure date**

Notice is hereby given that Share Transfer Books and Register of Members of the Company will be closed on 24 November 2021 on which day no share transfer will be effected.

Duly completed and stamped transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte Ltd), 80 Robinson Road, #11-02 Singapore 068898, up to 5.00 p.m. on 23 November 2021 will be registered to determine members' entitlements to the interim dividend. Members (being depositors) whose securities account with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 23 November 2021 will be entitled to the payment of the interim dividend.

**6. If no dividend has been declared (recommended), a statement to the effect.**

Not applicable.

**7. If the Group has obtained a general mandate from shareholders for Interested Parties Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to the effect.**

The Group did not obtain a general mandate from shareholders for IPTs.

**8. Confirmation pursuant to Rule 720 (1) of the Listing Manual**

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720 (1) of the Listing Manual.



**Q & M Dental Group (Singapore) Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200800507R)

**9. Confirmation by the Board pursuant to Rule 705 (5) of the Listing Manual**

On behalf of the Board of Directors of the Company, we, the undersigned directors, do hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company that may render the condensed interim financial statements to be false or misleading in any material aspect.

**On behalf of the Board of Directors**

**Dr Ng Chin Siau**  
Group CEO & Executive Director

**Dr Ang Ee Peng Raymond**  
COO & Executive Director

**11 November 2021**