



Q & M DENTAL GROUP (SINGAPORE) LIMITED
 (Company Registration Number 200800507R)
 (Incorporated in the Republic of Singapore)

ANNOUNCEMENT

**RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS RECEIVED FOR THE ANNUAL
 GENERAL MEETING TO BE HELD ON 26 APRIL 2021**

The board of directors (the “**Board**” or “**Directors**”) of Q & M Dental Group (Singapore) Limited (“**Q & M**” or the “**Company**”, and together with its subsidiaries, the “**Group**”) would like to provide responses to substantial and relevant questions received for the Annual General Meeting to be held on 26 April 2021 as follows:

Question	Response
<p>1. As noted in the financial review, despite the pandemic, the group recorded revenue of \$137.6 million in the financial year ended 31 December 2020 (“FY2020”). This was 8% higher than the revenue of \$128.0 million achieved in the financial year ended 31 December 2019 (“FY2019”) (page 15 of the annual report).</p> <p>Revenue from dental and medical outlets increased by 6% from \$119.2 million to \$126.4 million in FY2020. Management has attributed the \$7.2 million increase to higher revenue from existing and new dental outlets in Singapore and Malaysia. Revenue generated by Singapore and Malaysia dental outlets for 2H2020 were significantly higher than pre COVID-19 period, as well as the corresponding period in FY2019.</p> <p>(i) Can management help shareholders recall if the dental clinics in Singapore and in Malaysia were ordered to close during the circuit breaker and the Movement Control Order respectively?</p> <p>(ii) What was the increase/decrease in revenue for the group’s clinics on a “same-clinic” basis (i.e. excluding newly opened and closed clinics in FY2020)?</p> <p>(iii) Can management help shareholders understand the reasons for the \$7.2 million increase in revenue? Many GP clinics reported lower revenue as patients put off visits to the</p>	<p>(i) In both countries, dental clinics were not ordered to close during the Circuit Breaker (“CB”) and the Movement Control Order (“MCO”) periods. However, during this period only urgent non-elective emergency dental treatments were allowed in both countries. In Singapore post CB, more dentistry treatments were allowed but clinics were required to minimize aerosol generation and schedule time in between to allow disinfection of the clinics. In Malaysia under the Recovery Movement Control Order (“RMCO”), from 10 June 2020 onwards, dental clinics were allowed to perform most types of dental treatments except aerosol generating procedures.</p> <p>(ii) In the course of FY 2020, Q & M opened 5 new dental clinics in Singapore and 3 new dental clinics in Malaysia. The revenue contribution from the newly opened and closed clinics in FY2020 was not material.</p> <p>(iii) While our revenue was adversely affected by the CB in Singapore and MCO in Malaysia during the months of April to May 2020 as a result of patients deferring their elective dental treatments, from June 2020 onwards, our revenue has picked up. The Singapore and Malaysia borders were closed and no overseas travel was allowed in 2020. Both patients and dentists were not able to travel. The empirical evidence is that, with more time and more disposal income, families spent more on elective treatments</p>

<p>clinics and delay non-critical, discretionary services and consultations.</p>	<p>like implants and ortho braces. The revenue for most of the Group's clinics is not heavily dependent on medical tourists.</p>
<p>2. As noted in the message to shareholders, the group expanded to medical laboratories and research activities through the incorporation of Acumen Diagnostics Pte. Ltd ("Acumen") in April 2020. The group subsequently took a 51% stake in a joint venture with some shareholders of Acumen Research Laboratories Pte. Ltd. for the research, development, and distribution of COVID-19 diagnostic test kits, as well as the conducting of COVID-19 testing (page 6). The PCR test kits are already being used in several other countries including Malaysia and Indonesia.</p> <p>Acumen was granted the Healthcare Institute License from the Ministry of Health to offer clinical laboratory testing services for COVID-19 using its proprietary Acu-Corona® 2.0 PCR test kits on 15 September 2020. This follows the Provisional Authorisation received from Singapore Health Sciences Authority for clinical use earlier in March 2020.</p> <p>The group has played a part in Singapore's national efforts in COVID-19 testing, infection control and contact tracing. Revenue and segment results of the medical laboratory segment amounted to \$2.22 million and \$1,000 in FY2020 (page 80).</p> <p>(i) Can management help shareholders understand the core competence in the board/senior management team in the new area of research, COVID-19 diagnostics, PCR testing and test-kits?</p> <p>(ii) What amount has been earmarked by the board for its investments into Acumen?</p>	<p>(i) Board members have a wide and varied experience, including specific domain knowledge in biotech and allied sectors. The Group has made successful investments in allied sectors. The driver of Acumen's business is Dr Ong Siew Hua, who is the CEO and Chief Scientist of Acumen. Dr Ong has worked in this sector all her working life and is well respected in this area. She founded Acumen Research Laboratory in 2010 after working in various bodies, including A*Star.</p> <p>(ii) The current investment is \$3m for a 51% stake Acumen. Future investments, if required, will depend on the cash flow generated by Acumen, expansion opportunities and investment in technology and equipment. We will make further announcement when there is any material investment.</p>
<p>3. On 19 August 2020, the company announced the appointments of Dr Kuan Chee Keong and Dr Chong Kai Chuan as alternate director to Dr Ng Chin Siau and to Dr Ang Ee Peng Raymond respectively. The profiles of the two alternate directors can be found on page 10 of the annual report.</p> <p>(i) Would the board/nominating committee help shareholders understand if this is part of the group's succession plans for directors, CEO and key management personnel?</p>	<p>(i) Yes, together with other steps being taken. Dr Kuan and Dr Chong have run clinics in the Group prior to the IPO and are able to contribute time and talent in leading the Group, especially in terms of organic growth.</p>

By Order of the Board
Q & M Dental Group (Singapore) Limited

Vitters Sim
Chief Financial Officer
22 April 2021

For more information, please contact:

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