



Q & M DENTAL GROUP (SINGAPORE) LIMITED
(Company Registration No. 200800507R)

Announcement

**APPOINTMENT OF YUANTA SECURITIES CO. LTD AS LEAD UNDERWRITER
FOR THE PROPOSED ISSUANCE OF TAIWAN DEPOSITORY RECEIPTS**

The Board of Directors (the “Directors”) of Q & M Dental Group (Singapore) Limited (the “Company”, together with its subsidiaries, the “Group”) is pleased to announce that the Company is proposing to issue Taiwan Depository Receipts (the “Proposed TDR Issue”) of up to USD50 million on the Taiwan Stock Exchange (the “TSE”). In connection with the Proposed TDR Issue, the Company has appointed Yuanta Securities Co. Ltd (“Yuanta”) as the lead underwriter for the Proposed TDR Issue.

The Directors believe that the Proposed TDR Issue would be in the best interests of the Company for the following reasons:

- (i) the Proposed TDR Issue will broaden and diversify the Company’s shareholder base and provide an additional fund-raising platform for the Group;
- (ii) the Proposed TDR Issue will create a new listing platform for the Company;
- (iii) the Proposed TDR Issue may provide better liquidity for the Company’s shares; and
- (iv) the Proposed TDR Issue will enhance and promote public awareness of the Group and the “Q & M” brand in Taiwan and the People’s Republic of China (“PRC”).

The Group intends to utilize the proceeds of the Proposed TDR Issue for its working capital and to fund its expansion plans in the PRC.

Yuanta shall advise the Company in relation to the Proposed TDR Issue and shall take charge of all matters relating to the Proposed TDR Issue, including but not limited to:-

- (a) incorporating the underwriting syndicate;
- (b) drafting the Proposed TDR issue prospectus;
- (c) preparing and pursuing the overall strategy regarding the Proposed TDR Issue and underwriting of the Proposed TDR Issue;
- (d) engaging other experts to participate in the Proposed TDR Issue if necessary;
- (e) filing the applications with the Taiwan regulators for the Proposed TDR Issue, including the TSE, the Central Bank of China (Taiwan) (“CBC”) and the Securities and Futures Bureau of the Financial Supervisory Commission (“SFB”), and assisting in the communication with the Taiwan regulators for the matters related to the Proposed TDR Issue; and
- (f) supervising the cooperation and communication between such experts and the personnel involved in the Proposed TDR Issue, as well as all other matters related to the underwriting of the Proposed TDR Issue.

The Company will commence preparations of the necessary documentation for the submission of an application to the TSE, the CBC and SFB for the offering and listing of the TDR on the TSE. The Proposed TDR Issue will also be subject to approval from the SFB, application for which will be made after the grant of approvals by the TSE and the CBC.



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The Proposed TDR Issue may be issued pursuant to the authority of a general share issue mandate subsisting at the relevant time, if any, or pursuant to the specific approval of the shareholders of the Company (the "Shareholders") to be obtained, if required, as the Board may determine in the interests of the Company. The Company will comply with the Listing Manual of the Singapore Exchange Securities Trading Limited (the "SGX-ST") with respect to the Proposed TDR Issue.

Shareholders should note that the Proposed TDR Issue is conditional upon, inter alia, the granting of the necessary approvals by the TSE, the CBC, the SFB and the SGX-ST. Further announcements will be made by the Company in relation to the Proposed TDR Issue as and when appropriate.

As the Proposed TDR Issue is subject to, amongst others, approvals from the relevant government and regulatory authorities in Taiwan and the then prevailing market and economic conditions, the Proposed TDR Issue may or may not proceed. Further, notwithstanding that all requisite regulatory approvals have been obtained, the Directors may decide not to proceed with the Proposed TDR Issue if, having regard to investors' interest and response at the material time and any other relevant factors, the Directors deem it not in the interests of the Company to proceed with the same.

Shareholders and potential investors of the Company are as such advised to exercise caution when dealing in the Company's shares. When in doubt, Shareholders and potential investors are strongly advised to seek independent advice from their bankers, stockbrokers, solicitors or other professional advisers.

None of the Directors or substantial shareholders of the Company have any interest in the Proposed TDR Issue save for their interests arising by way of their shareholdings and/or directorships, as the case may be, in the Company.

On behalf of the Board

Dr Ng Chin Siau
Chief Executive Officer

24 May 2011

About TDRs

A Taiwan Depository Receipt (TDR) is a certificate registered in the holder's name or as a bearer security giving title to a number of shares in a non-Taiwan-based company deposited in a bank outside Taiwan. These certificates are traded on the Taiwan Stock Exchange.

About Q & M Dental Group

Q & M Dental Group [QNM SP / QMDT.SI] is a growing private dental healthcare group in Asia. The Group operates the largest network of dental outlets in Singapore and is building its presence in the People's Republic of China ("PRC") and Malaysia.

Founded in 1996, Q & M Dental Group has built an established brand through its reputation as a reliable provider of quality dental healthcare services. In Singapore, the Group has 41 dental clinics strategically located island-wide, two dental centres and one mobile dental clinic. It also owns a dental supplies and equipment distribution company. The Group has a team of more than 130 experienced dentists, supported by over 300 clinic support staff, to provide quality service to its patient pool of more than 400,000 island-wide.

Q & M Dental Group is presently executing plans to expand its presence in the overseas markets. To-date, the Group has invested in two dental healthcare groups in the PRC that operate a total of seven dental clinics, one dental centre and a mobile dental clinic in Beijing and Nanjing cities. It also has a 70% stake in a dental practice in Johor, Malaysia that operates 2 dental clinics.
