



**Q & M DENTAL GROUP (SINGAPORE) LIMITED**

(Incorporated in the Republic of Singapore)

(Company Registration No. 200800507R)

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**PROPOSED ACQUISITION OF 100% SHAREHOLDING  
IN  
“DENTIGIENE DENTAL SURGERY PTE LTD” (“DDS”)**

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**1. THE PROPOSED ACQUISITION**

- 1.1 The Board of Directors (the "Board") of Q & M Dental Group (Singapore) Limited (the "Company" and together with its subsidiaries, the "Group") is pleased to announce that the Company (the "Purchaser"), has on 1 October 2012 entered into a conditional share sale agreement and ancillary agreements (the "Agreements") with Dr Joanna Lim Jin Ling ("Dr Joanna") and Dr Paul Timothy Sie Shin Min ("Dr Paul") (the "Current Shareholders") for the acquisition (the "Proposed Acquisition") from Dr Joanna of 5,000 ordinary shares of \$1.00 each and from Dr Paul of 5,000 ordinary shares of \$1.00 each in the capital of Dentigiene Dental Surgery Pte Ltd (the "DDS"), representing 100% of DDS's issued and paid-up share capital of \$10,000 divided into 10,000 ordinary shares of \$1.00 each (the "Shares"), for a cash consideration of \$500,000 (the "Consideration") plus additional consideration of upto \$30,000 for the fixed assets of DDS and further consideration of approximately \$37,000 for the rental deposits of DDS which would be confirmed and paid on review of the management accounts as at 30 September 2012. Following the completion of the Proposed Acquisition, the Purchaser shall wholly own all the shares in DDS and accordingly DDS shall become a subsidiary of the Company.
- 1.2 DDS is a private limited company incorporated in Singapore under the Companies Act and has, at the date hereof, an authorised and paid up share capital of \$10,000 divided into 10,000 ordinary shares of \$1.00 each. The current shareholders of DDS are Dr Joanna and Dr Paul, who each owns 5,000 Shares in DDS's share capital respectively. DDS operates 2 dental clinics located at Towner Road and Shaw Centre respectively (the "Clinics").
- 1.3 The sale and purchase of the Shares is subject to, inter alia, the following conditions precedent:

- (a) Executing a service agreement between the Dr Joanna and the Purchaser for a period of a period of five (5) years on a full time basis and another five (5) years thereafter on a part time basis on such terms and conditions approved by the Purchaser.
- (d) All relevant dental and clinic licences having been obtained for the operation of the Clinics;
- 1.5 As each of the relative figures as computed on the applicable bases set out in Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual") is less than 5%, the Proposed Acquisition is a "Non-discloseable transaction" under Rule 1008 of the Listing Manual.

## **2. RATIONALE FOR THE PROPOSED ACQUISITION**

The Proposed Acquisition is in line with the Group's plan to expand its main dental business in Singapore. The Company adds 2 fully operational clinics under the Proposed Acquisition. The Company also obtains the business goodwill of DDS which has been operating for more than 12 years together with the personal goodwill of the senior dentists in the Clinics.

## **3. CONSIDERATION FOR THE PROPOSED ACQUISITION**

The Consideration will be satisfied fully in cash, and was arrived at on a willing buyer, willing seller basis. In arriving at the Consideration, the Board had taken into account the Net Tangible Assets of DDS at \$100,000 for the year ending December 2011. The Group has also taken into consideration the ten (10) year service agreement entered into between the Purchaser and Dr Joanna. The Board is of the opinion that the consideration is fair given the unique value proposition that the Proposed Acquisition brings to the Group as further explained in paragraph 2 on the rationale for the Proposed Acquisition.

## **4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Company's directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition, save for their interests arising by way of their shareholdings and/or directorships, as the case may be, in the Company.

## **5. DOCUMENTS FOR INSPECTION**

Copy of the Sale and Purchase Agreement is available for inspection during normal business hours at the registered office of the Company at Block 67 Ayer Rajah

Crescent #05-12/14, Ayer Rajah Industrial Estate, Singapore 139950 for a period of three (3) months from the date of this announcement.

By order of the Board  
**Q & M DENTAL GROUP (SINGAPORE) LIMITED**

Dr. Ng Chin Siau  
Group Chief Executive Officer  
1 October 2012

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**About Q & M Dental Group (全民牙医集团 (新加坡) 有限公司)**

Q & M Dental Group [QC7.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 more than 50 dental clinics strategically located island-wide, four dental centres and one mobile dental clinic. It also owns two dental supplies and equipment distribution companies. The Group has a team of about 170 experienced dentists, supported by about 300 clinic support staff, to provide quality service to its patient pool of more than 450,000 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 which operates 3 clinics.

The Group was listed on the Main Board of the SGX-ST on 26 November 2009. For further information on Q & M Dental Group, please visit the Group's website at [www.QandMDental.com.sg](http://www.QandMDental.com.sg)

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