



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

**Q & M MAKES FURTHER INROAD IN THE CHINESE DENTAL MARKET AND
ENTERS SHANDONG PROVINCE**

- Q & M has executed a Memorandum of Understanding with two owners of dental hospital and dental polyclinic to acquire 51% for the sum of RMB 17.85 million (approximately S\$3.57 million)
- The entire purchase consideration will be paid in Q&M shares and the shares will have a 5 year moratorium.
- The owners have further given a profit guarantee for a period of 12 years amounting to RMB 36 million (S\$7.2 million)

Singapore, 2 December 2013 – Q & M Dental Group (Singapore) Ltd (全民牙医集团 (新加坡) 有限公司) (“Q&M”) has through its wholly owned subsidiary, Q & M Dental Holdings (China) Pte Ltd, executed a non-binding Memorandum of Understanding with Mr Liu Yuguang to acquire 51% of Rongcheng City Shidao Meichen Hospital and also fifty one per cent (51%) stake in the dental polyclinic known as Rongcheng City Meichen Stomatology Polyclinic from Ms Wang Deping for RMB 17.85 million (S\$3.57 million). The dental hospital and dental polyclinic are located in Rongcheng, Weihai City, Shandong, PRC

Parties have agreed for Mr Liu and Ms Wang to incorporate a management company and inject the dental hospital and the dental polyclinic and all its assets free of any encumbrances. The Sellers have also agreed to provide a profit guarantee for a period of 12 years amounting to RMB 36 million (approximately S\$7.2 million). The Sellers have also agreed to sell another 9% to Dr Shao Yongxin, who is a joint venture partner of Q&M, for consideration of RMB 3.15 million.

The deal is subject to legal, finance and operational due diligence of the dental hospital, polyclinic and the management company and subject to the Q&M Board Of Directors, shareholders and Singapore Stock Exchange (as and when required) and further execution of definitive agreements.

Q&M is paying for the deal entirely in Q&M shares and the shares have a sale moratorium of 5 years. Dr Shao will pay for the shares acquired by him in cash.

The dental hospital is located within a 5 storey medical hospital and has over 14 dental chairs. The dental hospital employs 15 dentists with equipment such as panoramic x-ray machines and also provides specialist dental services such as paediatric dentistry section. The dental polyclinic has 17 dental chairs with 13 dentists and occupies 2 floors and also has the latest x-ray machines. They are both located in city of Weihai which has a population of about 2.8 million.

“This is another step in our expansion plans for China. We have now ventured into North and East China and hope to build our Q&M presence through these various acquisitions with local partners in various provinces. We hope to work together with Dr Shao who has extensive contacts with the dental faculty of the Liaoning Medical University to attract and train more dentists for the new acquisitions,” said Dr Ng Chin Siau, Founder and Group Chief Executive Officer of Q & M.

Mr Liu stated “It is a sign of confidence in Q&M that we are willing to accept Q&M shares with a 5 year sale moratorium in exchange for selling to Q&M the 51% stake in our dental business. We hope to bring in the Singapore standards of operation and management to our dental hospital and polyclinic and expand to offer more dental services.”

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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 52 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 180 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 operates two clinics in Shanghai. It also has operates 8 clinics in Malaysia and a dental equipment distribution company.

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