



Q & M DENTAL GROUP (SINGAPORE) LIMITED

(Company Registration Number 200800507R)

(Incorporated in the Republic of Singapore)

UPDATE ON PROPOSED ACQUISITION OF 60% STAKE IN THE DENTAL GROUP KNOWN AS AOXIN STOMATOLOGY GROUP

1. The Board of Directors of Q & M Dental Group (Singapore) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to refer to its announcement made on 3 December 2013 wherein it was stated that its wholly owned subsidiary, Q & M Dental Holdings (China) Pte. Ltd. (“**Q&M China**”) together with its wholly owned subsidiary in Shanghai, PRC, known as Shanghai Q&M Investment and Management & Consulting Co Ltd (“**Shanghai Q&M**”) have executed with Dr Shao and Health Field Enterprise Ltd, (“**Health Field**”) a company incorporated in the British Virgin Islands, a series of offshore contracts in relation to the Proposed Acquisition of 60% stake in the Aoxin Stomatology Group.
2. The Parties have amended the terms of the offshore Sale and Purchase Agreement signed on 3 December 2013 by way of a Supplemental Sale and Purchase Agreement on 12 February 2014, whereby it is agreed that the Company shall allot Q&M shares for RMB 20 million of the purchase consideration payable instead of RMB 10 million as announced previously. The number of shares to be issued shall be determined on the weighted price of the Company's shares of the preceding one month before the date of completion. The Company's shares will be subject to a 2 year sale moratorium starting from the date of allotment.
3. Further to the announcement, the Parties have, *inter alia*, executed the following onshore documents on 12 February 2014:-
 - a. Share Transfer Agreement for the shares of Shenyang Xin'ao Hospital Management Company Ltd (“**MC**”);
 - b. Shareholders' Agreement for MC; and
 - c. Letter of Undertaking.
4. Pursuant to the Share Transfer Agreement, Q&M China shall own 60% of MC, which will then be deemed as a subsidiary of the Company. In addition, MC currently wholly owns 3 subsidiaries, namely:-
 - a. Shenyang Aoxin Quanmin Stomatology Hospital Co., Ltd.;
 - b. Huludao City Aoxin Stomatology Polyclinic Co., Ltd; and
 - c. Huludao City Stomatology Hospital Co., Ltd.
5. Q&M China currently owns 60% of Health Field Enterprises Pte Ltd (now renamed as Q & M Dental (Shenyang) Pte Ltd “**Q&M Shenyang**”) and the Company wishes to announce that pursuant to the agreements signed by the Parties, Q&M Shenyang has incorporated a wholly foreign owned enterprise known as Shenyang Quanxin Medical Equipment Leasing Company (“**LC**”) in China.

6. The Proposed Acquisition is still subject to Parties obtaining the relevant regulatory approvals, licences, stock exchange and shareholders' approval (if required) and further due diligence by Q&M China.
7. No person is proposed to be appointed as a director of the Company in connection with the Transaction.
8. None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Transaction, save for their interests arising by way of their shareholdings and/or directorships, as the case may be, in the Company. As at the Announcement Date, none of the Directors or controlling shareholders of the Company holds any shares in the Aoxin Dental Group, directly or indirectly.
9. Copies of the agreements stated in paragraph 3 above are available for inspection by shareholders of the Company at the registered office of the Company at 67 Ayer Rajah Crescent #05-12/14 Singapore 139950 during normal business hours for a period of three months from the date of this Announcement.
10. The Company will make further announcements of material information at the appropriate junctures.

By Order of the Board

Q & M Dental Group (Singapore) Limited

Dr. Ng Chin Siau
Group Chief Executive Officer
12 February 2014

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

For more information please contact:

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