



Q & M DENTAL GROUP (SINGAPORE) LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 200800507R)

CONVERSION OF IFC LOAN

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Q & M Dental Group (Singapore) Limited (the “**Company**”) refers to the US\$5,000,000 convertible loan (the “**Convertible Loan**”) made available by International Finance Corporation (“**IFC**”) to the Company pursuant to a loan agreement dated 27 April 2011 (the “**Loan Agreement**”) entered into between the Company and IFC. Pursuant to the terms and conditions of the Loan Agreement, IFC has the right to convert the Convertible Loan into new ordinary shares in the capital of the Company (the “**Conversion Shares**”). The Board wishes to announce that the Company has on 25 July 2014 received a conversion notice (the “**Conversion Notice**”) from IFC in respect of the Convertible Loan.

2. THE CONVERSION NOTICE

- 2.1 Pursuant to the Conversion Notice, US\$5,000,000 (equivalent to S\$6.3 million, based on the agreed exchange rate of US\$1.00 to S\$1.26) in principal amount of the Convertible Loan will be converted into 19,090,909 Conversion Shares at a conversion price (the “**Conversion Price**”) of S\$0.33 per Conversion Share.
- 2.2 The initial Conversion Price of S\$0.69 was reduced from S\$0.69 to S\$0.345 upon completion of the share split of each ordinary share in the capital of the Company (a “**Share**”) into two ordinary shares on 9 May 2012. Please refer to the announcement made by the Company on 5 March 2012 and the circular dated 11 April 2012 for further details on the adjustment of the Conversion Price from S\$0.69 to S\$0.345.
- 2.3 The Conversion Price was subsequently further reduced from S\$0.345 to S\$0.33 pursuant to the private placement of an aggregate of 55,000,000 Shares to Dr. Koh Shunjie, Kelvin and Dr. Koh Shuhui, Felicia at an issue price of S\$0.305 for each Share, as announced by the Company on 27 December 2012, which was completed on 17 January 2013.
- 2.4 On the basis of the Conversion Price of S\$0.33, upon conversion of the Convertible Loan in full, an additional 830,040 Conversion Shares will have to be issued. The additional 830,040 Conversion Shares will be issued pursuant to the existing share issue mandate approved by shareholders at the annual general meeting of the Company held on 28 April 2014.
- 2.5 An application will be made to the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) for the listing of and quotation for the Conversion Shares on the SGX-ST. Appropriate announcements will be made upon receipt of approval-in-principle from the SGX-ST.

**BY ORDER OF THE BOARD
Q & M DENTAL GROUP (SINGAPORE) LIMITED**

Dr. Ng Chin Siau
Group Chief Executive Officer
29 July 2014