



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

CONVERSION OF IFC LOAN – RECEIPT OF IN-PRINCIPLE APPROVAL

1. INTRODUCTION

The Board of Directors (the “**Board**”) of Q & M Dental Group (Singapore) Limited (the “**Company**”) refers to its announcement dated 24 July 2014 in relation to the receipt by the Company of a conversion notice from International Finance Corporation (“**IFC**”) (the “**Previous Announcement**”).

Unless otherwise defined, all capitalised terms used in this Announcement shall bear the same meanings given to them in the Previous Announcement.

2. RECEIPT OF IN-PRINCIPLE APPROVAL

Further to the Previous Announcement, the Company wishes to announce that it has today received the in-principle approval of the SGX-ST for the admission to the Official List of the SGX-ST and the listing and quotation of the 830,040 Conversion Shares (the “**Additional Conversion Shares**”). The in-principle approval of the SGX-ST is subject to the following conditions:

- (a) compliance with the SGX-ST’s listing requirements;
- (b) announcement by the Company of the following in relation to the Convertible Loan:
 - (i) the event that resulted in the adjustment to the Conversion Price;
 - (ii) the adjustment of the Conversion price from S\$0.345 to S\$0.33;
 - (iii) whether the adjustment is in accordance with the terms of the Convertible Loan;
and
 - (iv) the total number of Conversion Shares to be issued to IFC upon full conversion of the Convertible Loan.

Please note that the SGX-ST’s in-principle approval is not to be taken as an indication of the merits of the Convertible Loans, the Additional Conversion Shares, the Company and/or its subsidiaries.

3. THE CONVERSION SHARES

In respect of paragraph 2(b) above, the initial Conversion Price of S\$0.69 was adjusted from S\$0.69 to S\$0.345 (the “**First Adjusted Conversion Price**”) upon completion of the share split exercise undertaken by the Company on 9 May 2012. Please refer to the announcement made by the Company on 5 March 2012 in this regard for further information.

The terms of the Loan Agreement provides that the issue of any Shares in a recapitalisation at a price per Share lower than the Conversion Price is an adjustment event. As announced by the Company on 27 December 2012, the Company undertook a private placement exercise 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 (the “**Private Placement**”), which was completed on 17 January 2013. As the price per Share for the Private Placement is lower than the First Adjusted Conversion Price, the Private Placement constitutes an adjustment event under the Loan Agreement. As a result of the Private Placement, the Conversion Price was required to be further adjusted from S\$0.345 to S\$0.33 (the “**Second Adjusted Conversion Price**”).

Based on the Second Adjusted Conversion Price, the Company will have to issue in aggregate 19,090,909 Conversion Shares to IFC pursuant to the Conversion Notice.

4. GENERAL

The Company will make the necessary announcement upon issuance of the Conversion Shares.

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

Dr. Ng Chin Siau
Group Chief Executive Officer
11 September 2014