



Q & M DENTAL GROUP (SINGAPORE) LIMITED

(Company Registration Number 200800507R)

(Incorporated in the Republic of Singapore)

SALE OF BUSINESS AND ASSETS BY THE DIGESTIVE & LIVER SPECIALIST CENTRE PTE. LTD. AND THE LUNG SPECIALIST CENTRE PTE. LTD.

1. INTRODUCTION

- 1.1 The Board of Directors ("**Board**") of Q & M Dental Group (Singapore) Limited (the "**Company**") wishes to announce that pursuant to two separate assets sale and purchase agreement dated 17 November 2014 (the "**Agreements**"), the Company has completed the sale of certain business and assets in two of its indirectly wholly owned specialist centres (the "**Disposals**"), the details of which are provided below:

	<u>Name of the specialist centre</u>	<u>Services Provided</u>	<u>Name of the Purchaser</u>
(a)	The Digestive & Liver Specialist Centre Pte. Ltd. (" TDLS ").	Medical specialist clinic providing gastroenterology specialist services.	CM Yeo Gastrointestinal & Liver Specialist Clinic Pte. Ltd. (" CM Yeo ").
(b)	The Lung Specialist Centre Pte. Ltd. (" TLSC ").	Medical specialist clinic providing respiratory specialist services.	LM Lung Specialist Pte. Ltd. (" LLS ").

(TDLS and TLSC are collectively referred to as the "**Sellers**" and CM Yeo and LLS are collectively referred to as the "**Purchasers**")

TDLS and TLSC are wholly owned subsidiaries of Q & M Medical Group (Singapore) Pte Ltd, which in turn is a wholly owned subsidiary of the Company.

- 1.2 Under the Agreements, Dr. Yeo Chong Meng and Dr. Looi Lai Mun, being the sole shareholder of CM Yeo and LLS respectively, will leave TDLS and TLSC on 15 January 2015 respectively and take over the operations of TDLS and TLSC under different company names. The Company will no longer be involved in any medical specialist business activities related to TDLS and TLSC.

2. INFORMATION ON THE ASSETS DISPOSED OFF

- 2.1 Pursuant to the terms of the Agreements, the Purchasers agreed to buy and the Sellers agree to sell to the Purchasers all the undertakings and assets ("**Purchased Assets**") owned by the

Sellers in connection with the business of the Sellers (the “**Businesses**”) including but not limited to the following:

- (a) all furniture, fixtures and equipment, machinery, tools, office equipment, supplies, computers and other tangible personal property that are primarily used in the Businesses;
- (b) all of the Sellers’ permits and licences relating primarily to the Businesses, to the extent such permits and licences are transferable under applicable laws; and
- (c) the leasehold of the place of Businesses located at 38 Irrawaddy Road, #11-57, Mount Elizabeth Novena Hospital Specialist Centre, Singapore 329563.

2.2 The Disposals do not include the following:

- (a) all rights in and to the trademarks belonging to the Sellers;
- (b) all cash, cash equivalent and bank accounts of the Businesses as at completion; and
- (c) all claims by third parties against the Businesses and/or the Sellers relating to the Businesses regardless of whether such claims are made before or after Completion.

3. PURCHASE CONSIDERATION

- 3.1 The consideration payable by CM Yeo and LLS to the Sellers for the Purchased Assets is S\$31,591.75 each.
- 3.2 The consideration was arrived at on a willing buyer and willing seller basis following a formal sale process, after taking into account the book value of the Sellers’ assets and liabilities, the valuation of other similar peers and the performance of the business.
- 3.3 The book value attributable to the Purchased Assets is S\$47,060.67 as at 31 October 2014.
- 3.4 The Buyers shall satisfy the consideration by way of two (2) equal deductions from the Buyers’ monthly salary received under their employment agreement.

4. RATIONALE

The Disposals are made in connection with the Company’s strategic review to streamlining activities and businesses across the Q & M group.

5. NON-DISCLOSEABLE TRANSACTION

The Disposals constitute non-discloseable transaction under Chapter 10 of the Singapore Exchange Securities Trading Limited's Listing Manual. Copies of the Agreements are available for inspection by shareholders of the Company at the registered office of the Company at 81 Science Park Drive, #02-04, The Chadwick, Singapore 118257 during normal business hours for a period of three months from the date of this announcement.

On Behalf of the Board
Q & M Dental Group (Singapore) Limited

Vitters Sim
Chief Financial Officer
15 January 2015

For more information please contact:

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