



**Q & M DENTAL GROUP (SINGAPORE) LIMITED**  
(Company Registration Number 200800507R)  
(Incorporated in the Republic of Singapore)

---

**UPDATE ON PROPOSED ACQUISITIONS OF  
PANJIN CITY DENTAL CLINICS,  
PANJIN JINSAI DENTAL CLINIC AND  
GAIZHOU CITY DENTAL CLINIC  
LOCATED IN LIAONING PROVINCE, CHINA**

---

**1. INTRODUCTION**

The Board of Directors (the "**Board**") of Q & M Dental Group (Singapore) Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its announcements dated 3 June 2015 and 5 July 2015 (the "**Previous Announcements**") with respect to Shenyang Xin' Ao Hospital Management Co., Ltd. ("**Xin' Ao MC**"), an indirect subsidiary of the Company and operating the Shenyang Aoxin Q & M Group of stomatology hospitals and clinics in Shenyang, entering into separate non-binding memorandum of understandings ("**MOUs**") to:

- (a) acquire a 60% stake in 2 dental clinics located in Panjin City, Liaoning Province, China ("**Panjin City Dental Clinics**") from Mdm Ren Hong ("**Dr. Ren**");
- (b) acquire a 60% stake in a dental clinic located in Panjin City, Liaoning Province, China ("**Panjin Jinsai Dental Clinic**") from Dr. Zhang Chun ("**Dr. Zhang**"); and
- (c) acquire a 60% stake in a dental clinic located in Gaizhou City, Liaoning Province, China ("**Gaizhou City Dental Clinic**") from Mdm Li Zhuo ("**Dr. Li**").

(collectively the "**Proposed Acquisitions**" and each a "**Proposed Acquisition**").

**2. UPDATE ON THE PROPOSED ACQUISITIONS**

- 2.1 Further to the Previous Announcements, the Company is pleased to announce that Xin' Ao MC had on 29 September 2015 entered into separate non-binding master agreements (collectively the "**Master Agreements**" and each a "**Master Agreement**") with Dr. Ren, Dr. Zhang and Dr. Li setting out the key terms and conditions for the Proposed Acquisitions and the ancillary documents to be executed by the parties.

*Panjin City Dental Clinics*

- 2.2 With regard to the Proposed Acquisition of Panjin City Dental Clinics, Xin' Ao MC will now acquire a 60% stake in 3 dental clinics located in Panjin City, Liaoning Province, China from Dr. Ren.

- 2.3 The consideration payable is now RMB 12.15 million (out of which RMB 5.40 million is paid via a capital injection into the management company to be incorporated by Dr. Ren) instead of RMB 10.14 million (out of which RMB 4.68 million is paid via a capital injection into the management company to be incorporated by Dr. Ren).
- 2.4 Dr. Ren guarantees that the profit of the Panjin City Dental Clinics shall not be less than RMB 23.459 million and that Xin’Ao MC will receive dividends of not less than RMB 14.077 million over a 12-year period commencing from the date of completion.

Panjin Jinsai Dental Clinic

- 2.5 With regard to the Proposed Acquisition of Panjin Jinsai Dental Clinic, the consideration payable is now RMB 6.474 million (out of which RMB 2.241 million is paid via a capital injection into the management company to be incorporated by Dr. Zhang) instead of RMB 5.976 million (out of which RMB 2.241 million is paid via a capital injection into the management company to be incorporated by Dr. Zhang).
- 2.6 Dr. Zhang guarantees that the profit of the Panjin Jinsai Dental Clinic shall not be less than RMB 12.981 million and that Xin’Ao MC will receive dividends of not less than RMB 7.789 million over a 12-year period commencing from the date of completion.

Gaizhou City Dental Clinic

- 2.7 With regard to the Proposed Acquisition of Gaizhou City Dental, the consideration payable is now RMB 2.436 million (out of which RMB 1.26 million is paid via a capital injection into the management company to be incorporated by Dr. Li) instead of RMB 2.016 million (out of which RMB 1.008 million is paid via a capital injection into the management company to be incorporated by Dr. Li).
- 2.8 Dr. Li guarantee that the profit of the Gaizhou City Dental Clinic shall not be less than RMB 4.35 million and that Xin’Ao MC will receive dividends of not less than RMB 2.61 million over a 12-year period commencing from the date of completion.

**3. RATIONALE FOR THE PROPOSED ACQUISITION**

The Proposed Acquisition is in line with the Company’s plan to continue the expansion of its dental business in China and allows the Group to add 4 fully operational clinics in the same region.

**4. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

None of the Directors and substantial shareholders have any interests, direct or indirect, in the Proposed Acquisition, other than through each of their respective shareholding interests, direct and/or indirect (if any), in the Company.

**5. DISCLOSURE OBLIGATIONS**

The Proposed Acquisitions constitute “non-discloseable” transactions under Chapter 10 of the Listing Manual and copies of the MOUs and Master 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 Science Park 1, Singapore 118257 during normal business hours for a period of three (3) months from the date of this announcement.

By Order of the Board  
**Q & M Dental Group (Singapore) Limited**

Vitters Sim  
Chief Financial Officer  
5 October 2015

---

For more information, please contact:

**Legal Counsel**

Andrew Young Tel: 6705 9888 Email: [Andrew@qandm.com.sg](mailto:Andrew@qandm.com.sg).

**Chief Financial Officer**

Vitters Sim Tel: 6705 9888 Email: [Vitters@qandm.com.sg](mailto:Vitters@qandm.com.sg).