



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

**LIFTING OF COMPANY MORATORIUM
IN RESPECT OF DR. KELVIN KOH, DR. FELICIA KOH AND DR. FOO MOOH THONG**

1. INTRODUCTION

- 1.1 The Board of Directors (the "**Board**") of Q & M Dental Group (Singapore) Limited (the "**Company**") wishes to announce that the Company has approved the lifting of the Company Moratorium (as defined below) in respect of the shares held in the Company by Dr. Kelvin Koh, Dr. Felicia Koh and Dr. Foo Mooh Thong (collectively the "**Moratorised Shareholders**").
- 1.2 The Company was informed by its largest shareholder Quan Min Holdings Pte Ltd ("**QMH**") and the Moratorised Shareholders that they intend to restructure their shareholdings in the Company such that the Moratorised Shareholders will transfer all of their shareholdings in the Company ("**Shares**") to QMH and become shareholders of QMH (the "**Share Restructuring**").
- 1.3 The Shares held by the Moratorised Shareholders are subject to moratoriums imposed by the Company ("**Company Moratorium**") the details of which are provided below:

<u>Name of Moratorised Shareholder</u>	<u>Agreement imposing Company Moratorium</u>	<u>Moratorium Period and number of Shares subject to moratorium</u>
Dr. Kelvin Koh	Placement Agreement dated 27 December 2012 as amended by a supplemental agreement dated 26 May 2014	Up to January 2021 Entire shareholding in the Company
Dr. Felicia Koh	Placement agreement dated 27 December 2012 as amended by a supplemental agreement dated 26 May 2014	Up to January 2021 Entire shareholding in the Company
Dr. Foo Mooh Tong	Sale and Purchase Agreement dated 17 March 2014	Up to July 2019 Entire shareholding in the Company

- 1.4 The Moratorised Shareholders requested the Board to consider lifting the Company Moratorium to allow them to participate in the Share Restructuring.

2. SHARE RESTRUCTURING

- 2.1 The Company has been informed by QMH that the Moratorised Shareholders will enter into definitive agreements with QMH to give effect to the Share Restructuring and will also accede to the existing shareholders' agreement of QMH ("**QMH Shareholders' Agreement**") entered in to between the shareholders of QMH to regulate the affairs of the Company *inter-se*. The detailed terms of the QMH Shareholders' Agreement were disclosed in the Company's prospectus dated 17 November 2009 and its circular to shareholders dated 6 November 2014 in respect of grant of a call option to Heritas Helios Investments Pte. Ltd.
- 2.2 The Share Restructuring is proposed to be effected in the following manner:

Name of Shareholder	Before the Share Restructuring		After the Share Restructuring	
	Number of Shares	Percentage Shareholding in the Company	Number of Shares	Percentage Shareholding in the Company
QMH	373,357,529	47.85%	442,696,529	56.73%
Dr Kelvin Koh	36,889,000	4.73%	0	0%
Dr Felicia Koh	15,810,000	2.02%	0	0%
Dr Foo Mooh Tong	16,640,000	2.13%	0	0%
Total	442,696,529	56.73%	442,696,529	56.73%

- 2.3 Following the Share Restructuring, the Moratorised Shareholders will be holding shares in QMH.

3. LIFTING OF COMPANY MORATORIUM

- 3.1 Upon deliberation and with the unanimous approval of all the independent directors of the Company, the Board has decided to approve the lifting of the Company Moratorium in respect of the Shares held by the Moratorised Shareholders for the following reasons, amongst others,:
- (i) The Moratorised Shareholders are either the Company's strategic investors or have sold their businesses to the Company partially for shares. They were subject to the Company Moratorium to align their interests with that of the Company in the long term. By virtue of the Share Restructuring, the Moratorised Shareholders will become part of QMH and will enter into the QMH Shareholders' Agreement. QMH shareholders comprise the founding members and key personnel of the Company. It is in the best interest of the Company, if all the key personnel and key doctors of the Company (including the Moratorised Shareholders) are under the same umbrella with the same rights and obligations.
 - (ii) The moratorium on Dr Foo Mooh Thong's shares in the Company is slated to expire in 2019 but upon completion of the Share Restructuring, the moratorium will be extended to 2021 in accordance with the terms of the QMH Shareholders' Agreement. The Company is of the view that this is beneficial as a key performer like Dr Foo Mooh Thong is agreeing to be bound by the stricter terms contained in the QMH Shareholders' Agreement.
 - (iii) The Moratorised Shareholders would hold shares in QMH after the Share Restructuring. The Company will no longer be required to maintain the Company Moratorium in respect of the Shares.

- (iv) The Board has considered the terms and conditions of the QMH Shareholders' Agreement and the Board is of the view that the QMH Shareholders' Agreement has sufficient protection to ensure that the interest of the Moratorised Shareholders are aligned with the Company. In many cases, the QMH Shareholders' Agreement imposes more onerous obligations on the Moratorised Shareholders than the Company Moratorium. Following completion of the Share Restructuring, the Moratorised Shareholders will, by virtue of being parties to the QMH Shareholders' Agreement, will be subject to the same restrictions and obligations currently imposed on the founding members of the Company.

3.2 Dr. Ng Chin Siau, the Group Chief Executive Officer, Dr. Ng Jet Wei, the Deputy Chief Executive Officer and Dr. Ang Ee Peng Raymond, the Chief Operating Officer, being Directors of QMH are interested parties to the Share Restructuring. As such, they have not participated nor voted in the Board discussion on the lifting of the Company Moratorium.

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

Vitters Sim
Chief Financial Officer
30 October 2015

For more information, please contact:

Legal Counsel

Andrew Young Tel: 6705 9888 Email: Andrew@qandm.com.sg.

Chief Financial Officer

Vitters Sim Tel: 6705 9888 Email: Vitters@qandm.com.sg.