



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

**RESPONSE TO SINGAPORE EXCHANGE SECURITIES TRADING LIMITED'S QUERY
ON THE COMPANY'S ANNOUNCEMENT DATED 19 NOVEMBER 2017**

The Board of Directors (the "**Board**") of Q & M Dental Group (Singapore) Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to respond to a query raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 21 November 2017 in relation to the sale of preference shares in Q & M Aidite International Pte. Ltd. ("**Q & M Aidite**") that was announced by the Company on 19 November 2017 (the "**Announcement**"):

SGX-ST's Query 1

Please explain why the sale of shares was not completed, and provide reasons for the prolonged delay leading to termination, despite the Company announcing the transaction since 4 April 2017.

The Company's response

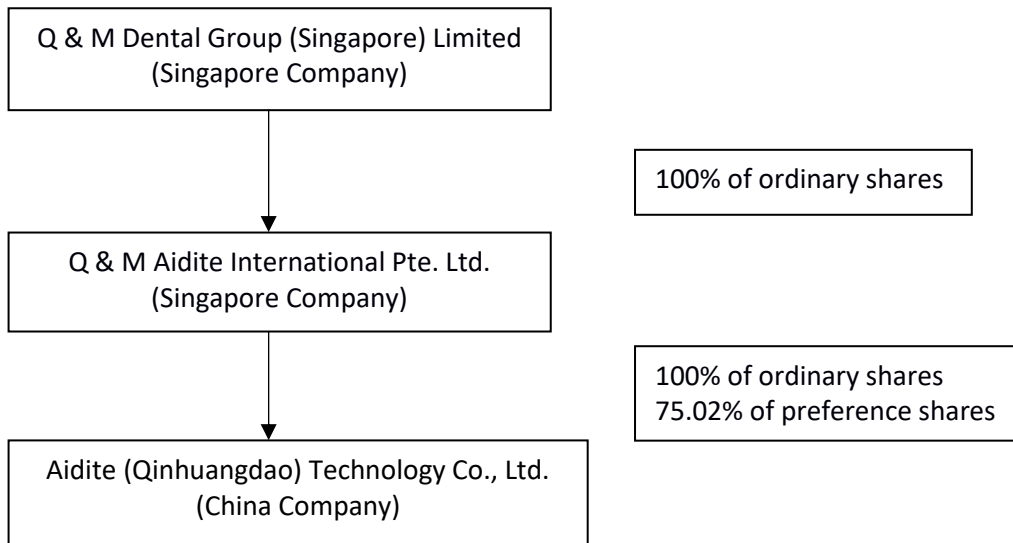
As part of the process during Aidite (Qinhuangdao) Technology Co., Ltd.'s ("**Aidite**") quotation on the National Equities Exchange and Quotations in China, there was a moratorium imposed on the Company's shares in Aidite which ended on 12 August 2017. As such, the sale of shares could not have been completed before 12 August 2017 due to the moratorium.

QHJY had originally entered into the onshore share transfer agreement to acquire the shares of Aidite on behalf of itself, All Win and Full Win. Subsequently, the Company and Qianhai Jianyuan Investment Consultancy (Shenzhen) Co., Ltd. ("**QHJY**") agreed to carry out the transaction in Singapore instead of China. The beneficial owner for both QHJY and Initial Capital is the same person, Ng Seow Yuen.

SGX-ST's Query 2

Please provide an organisation chart illustrating how Q & M Aidite and Aidite are related, and explain why the SPA to sell preference shares in Q & M Aidite has to take place in conjunction with the termination of the Share Transfer Agreement of 2% shareholding of Aidite to QHJY.

The Company's response



The beneficial owner for both QHJY and Initial Capital is Ng Seow Yuen.

As mentioned in the Company's response to SGX Query 1, the Company and QHJY had agreed to carry out the transaction in Singapore instead of China and hence, agreed to terminate the share transfer agreement for the sale of shares in Aidite and for Initial Capital, All Win and Full Win to acquire preference shares in Q & M Aidite.

SGX-ST's Query 3

Please disclose information about QHJY, and explain how they are related to Dr. Cheah, All Win, Full Win and Initial Capital.

The Company's response

QHJY is a company incorporated in China and is in the business of investment consultancy. The beneficial owner for both QHJY and Initial Capital is Ng Seow Yuen.

QHJY and Initial Capital are not related to Dr. Cheah, All Win or Full Win.

SGX-ST's Query 4

Please disclose the names and identities of the beneficial owners of All Win, Full Win and Initial Capital.

The Company's response

Please refer to the following table:

All Win Investment Holdings Pte. Ltd.	Shareholding
1. Hwang Yee Cheau	45.45%

- | | |
|--------------------|--------|
| 2. Wong Dai Chong | 45.45% |
| 3. Kuan Chee Keong | 9.10% |

- | Full Win Investment Holdings Pte. Ltd. | Shareholding |
|---|---------------------|
| 1. Chong Kai Chuan | 47.62% |
| 2. Yap kin Wai | 47.62% |
| 3. Chong Ling, Sharon | 4.76% |

- | Initial Capital Investment Pte. Ltd. | Shareholding |
|---|---------------------|
| 1. Ng Seow Yuen | 100% |

SGX-ST's Query 5

Please disclose whether these are interested person transactions. If so, please disclose what the percentage of the Company's latest audited net tangible assets the value of the transactions represent, when aggregated with other interested person transactions.

The Company's response

These transactions do not constitute any interested person transactions under the Listing Manual.

SGX-ST's Query 6

Please disclose what is the net tangible asset and profit of Aidite, and explain how the consideration sums paid for the preference shares are reasonable.

The Company's response

Based on the financial results announced by Aidite for the financial period commencing 1 January 2017 and ending 30 June 2017, the net tangible asset of the Aidite is approximately RMB 111.50 million and the profit is approximately RMB 17.58 million.

The consideration was arrived at after negotiations on a willing-buyer, willing-seller basis. In arriving at the consideration for the sale of preference shares, the Company has taken into account, inter alia, the track record of Aidite's growth, the current market conditions and the future prospects and potential of Aidite.

SGX-ST's Query 7

It was previously disclosed on 4 April 2017 that QHJY had paid a deposit of RMB 1 million pursuant to the Share Transfer Agreement. Please provide an update on the status of the deposit.

The Company's response

In view of the ongoing discussions between the Company and QHJY to carry out the transaction in Singapore instead of China, the deposit was not collected.

The consideration for the sale and purchase of the preference shares has been paid in full to the Company by All Win, Full Win and Initial Capital.

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

Vitters Sim
Chief Financial Officer
22 November 2017

For more information, please contact:

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