



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 23 FEBRUARY 2017 AND 25 DECEMBER 2017
IN RELATION TO THE STRATEGIC REVIEW UNDERTAKEN AND CONCLUDED BY THE COMPANY**

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 queries raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 27 December 2017 in relation to the strategic review undertaken and concluded by the Company as announced on 23 February 2017 and 25 December 2017 respectively:

SGX-ST's Queries

Please advise on the following:

1. The date of completion of the strategic review of options available for its business by Religare Capital Markets Corporate Finance Pte. Limited ("**RCM**") (the "**Strategic Review**").
2. The Company disclosed that the Strategic Review was undertaken in line with the Company's commitment to enhance shareholder value. Please provide further background information leading to the Company's decision to undertake Strategic Review.
3. What are the observations of RCM? Please provide further details on the observations of RCM and why the Company did not deem it necessary to update the market on these observations.
4. Please elaborate on the basis for the Board's opinion that no change in the strategy of the Group is required and when was this strategy disclosed to the market such that no announcement is necessary.

The Company's response

1. The date of completion of the strategic review by RCM was on 7 August 2017.
2. Besides having a strategic review to highlight options and the way forward, the Company was in very preliminary discussions with a party originating from China with regard to a possible placement and the Company wanted to appoint a financial adviser to provide its opinion of the value of the Company in preparation for the discussions with the China party.
3. RCM did a valuation of the Company's different core business units based on the discounted cash flow methodology and observed that our Singapore core business is the main driver of the Company's

value. Their main observation was that acquisitions carried out in Singapore by the Company's Singapore core business unit was more expensive than expanding the business organically which is already known to the Company. The market is also aware of the Company's business strategy in local organic expansion together with local inorganic expansion.

4. The preliminary discussions with the China party did not go beyond preliminary discussions and the observations made by RCM are observations already known to the Company. The market is also aware of the Company's business strategy in local organic expansion together with local inorganic expansion.

Upon receiving a request for an update by an investor, the Board decided to announce the conclusion of the strategic review.

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

Vitters Sim
Chief Financial Officer
3 January 2018

For more information, please contact:

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