

Q & M DENTAL GROUP (SINGAPORE) LIMITED

(Company Registration Number 200800507R) (Incorporated in the Republic of Singapore)

FURTHER UPDATE ON DISCOVERY OF IMPROPRIETIES IN THE COMPANY'S MALAYSIAN SUBSIDIARIES IN JOHOR BAHRU, MALAYSIA

- 1. The Board of Directors (the "Board") of Q & M Dental Group (Singapore) Limited (the "Company") refers to its previous announcement dated 13 July 2016 and 7 February 2017 in respect of the discovery of improper conduct in the Company's Johor Bahru dental business operations (the "Previous Announcement").
 - Capitalised terms used herein, unless otherwise defined, shall bear the same meanings given to them in the Previous Announcement.
- 2. In the Previous Announcement, it was disclosed that the Company has commenced legal proceedings in the High Court of Malaya at Johor Bahru (Commercial Division) (the "JB High Court") by way of Suit No. JA-22 NCVC 116 05/2016 against Dr. Matthew Hong An Liang("Dr Hong") and Mdm Chong Lee Lee ("Mdm Chong"), who are the parties that it considers liable and has obtained various court orders in its favour (the "Legal Proceedings").
- 3. The JB High Court had granted several injunction orders (including but not limited to an Anton-Pillar Order ("AP Order") and a Prohibitory Order) (the "Orders") which prohibit Dr Hong, Mdm Chong and their related parties from, including but not limited to the followings:
 - i. Destroying, tampering with, taking away possession by use of force or otherwise the property of the Company;
 - ii. Being physically present within a 200 metre (m) radius of our Johor dental
 - iii. Interfering, whether directly or indirectly, and by whatsoever means, with the business of our Johor dental clinics;
 - iv. Interfering, whether directly or indirectly, and by whatsoever means, with the quiet enjoyment including the provision and supply of utility service of our Johor dental clinics; and
 - v. Intimidating and/or threatening and/or coercing our staff, dental nurses, employees, customers, clients, service providers, independent contractors, suppliers, vendors and patients.
- 4. However, Dr Hong and Mdm Chong had, on various occasions from 14 June 2016 to 4 August 2016 breached the Orders. Hence the Company initiated legal proceedings against Dr Hong and Mdm Chong for contempt of court on 12 August 2016 (the "Committal Proceedings").

5. The Board wishes to provide a further update in relation to the Committal Proceedings as the judgement orders of these Committal Proceedings were only sealed recently by the JB High Court.

6. On 4 July 2018, Dr Hong and Mdm Chong were respectively adjudged by the JB High Court (Y.A. Dato'Ahmad Kamal bin Md. Shahid) to be guilty of contempt of court wherein Dr Hong

was found to be guilty of seventeen (17) charges/acts of contempt and Mdm Chong was found

guilty of all of the sixteen (16) charges/acts of contempt levied against them respectively.

7. On 6 August 2018, the JB High Court viewed that the acts of contempt committed by Dr Hong and Mdm Chong were serious in nature and that breaches of the court order should not be condoned. Upon their plea in mitigation, the JB High Court sentenced Dr Hong by imposing a cumulative fine of RM125,000.00, in default thereof, fifty (50) months imprisonment; and sentenced Mdm Chong by imposing a cumulative fine of RM105,000.00, in default thereof, forty-two (42) months imprisonment, with such fines being required to be paid by 12:00 noon, 9 August 2018. It is understood that both of them had duly paid the aforesaid fines and therefore, the default custodial sentences were not executed.

8. Additionally, the sum of RM40,000 was awarded by the JB High Court to be paid by Dr Hong

and Mdm Chong to the Company for its legal costs incurred.

9. Please find enclosed herewith the table showing the charges and sentence of Dr Hong and Mdm Chong extracted from Dr Hong's Committal Order dated 6 August 2018 and Mdm

Chong's Committal Order dated 6 August 2018.

10. The Company will make further announcement if there are any material developments.

11. The contributions from the Company's Johor Bahru dental business involved in this law suit do

not materially affect the Company's performance and financial results.

By Order of the Board

Q & M Dental Group (Singapore) Limited

Vitters Sim Chief Financial Officer 14 November 2018

For more information, please contact:

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Enclosure 1 - Table showing the charges and the sentence of Dr Hong, extracted from the Committal Order dated 6 August 2018:-

"IT IS HEREBY ORDERED that for his aforesaid contempt, the 1st Defendant, Dr. Hong An Liang, do stand committed to prison to be there imprisoned therein if he does not pay the following fines: -"

Contempt	Contempt Description/Charge	<u>Sentence</u>
No./Charge		
1	Breach of Paragraph (1)(B), (1)(F) & (1)(H) of	A fine of RM5,000.00 and in
	the Ex-Parte (Anton Piller & Prohibitory	default thereof, two (2)
	Injunction) Order dated 12 June 2016.	months imprisonment.
2	Breach of Paragraph (1)(N), (1)(M), (1)(Q),	A fine of RM5,000.00 and in
	(7)(B) & (7)(C) of the Ex-Parte (Anton Piller &	default thereof, two (2)
	Prohibitory Injunction) Order dated 12 June	months imprisonment.
	2016 and interfering with the administration	
	of justice.	
3	Breach of Paragraph (7)(B) & (7)(C) of the Ex-	A fine of RM5,000.00 and in
	Parte (Anton Piller & Prohibitory Injunction)	default thereof, two (2)
	Order dated 12 June 2016 and interfering	months imprisonment.
	with the administration of justice.	
4	Breach of Paragraph (1)(N) & (7)(B) of the Ex-	A fine of RM10,000.00 and in
	Parte (Anton Piller & Prohibitory Injunction)	default thereof, four (4)
	Order dated 12 June 2016 and interfering	months imprisonment.
	with the administration of justice.	
5	Obstruction to the administration of justice.	A fine of RM10,000.00 and in
		default thereof, four (4)
		months imprisonment.
6	Breach of Paragraph (7)(B) of the and	A fine of RM10,000.00 and in
	obstruction to the administration of justice	default thereof, four (4)
		months imprisonment.
7	Obstruction to the administration of justice.	A fine of RM10,000.00 and in
		default thereof, four (4)
		months imprisonment.
8	Obstruction to the administration of justice.	A fine of RM10,000.00 and in

		default thereof, four (4)
		months imprisonment.
9	Obstruction to the administration of justice.	A fine of RM10,000.00 and in
		default thereof, four (4)
		months imprisonment.
10	Obstruction to the administration of justice.	A fine of RM10,000.00 and in
		default thereof, four (4)
		months imprisonment.
11	Breach of Paragraph (1)(N), (7)(B) & (7)(C) of	A fine of RM10,000.00 and in
	the Ex-Parte (Anton Piller & Prohibitory	default thereof, four (4)
	Injunction) Order dated 12 June 2016.	months imprisonment.
12	Obstruction to the administration of justice.	A fine of RM5,000.00 and in
		default thereof, two (2)
		months imprisonment.
13	Breach of Paragraph (1)(B) of the Ex-Parte	A fine of RM5,000.00 and in
	(Prohibitory Injunction) Order dated 12 July	default thereof, two (2)
	2016.	months imprisonment.
14	Breach of Paragraph (1)(D), (1)(E) & (1)(G) of	A fine of RM5,000.00 and in
	the Ex-Parte (Prohibitory Injunction) Order	default thereof, two (2)
	dated 12 July 2016.	months imprisonment.
15	Breach of Paragraph (1)(D), (1)(E) & (1)(G) of	A fine of RM5,000.00 and in
	the Ex-Parte (Prohibitory Injunction) Order	default thereof, two (2)
	dated 12 July 2016.	months imprisonment.
17	Breach of Paragraph (1)(D) & (1)(E) of the Ex-	A fine of RM5,000.00 and in
	Parte (Prohibitory Injunction) Order dated 12	default thereof, two (2)
	July 2016.	months imprisonment.
18	Breach of Paragraph (1)(D), (1)(E), (1)(F) &	A fine of RM5,000.00 and in
	(1)(G) Ex-Parte Prohibitory Injunction) Order	default thereof, two (2)
	dated 12 July 2016.	months imprisonment.

Enclosure 2 - Table showing the charges and the sentence of Mdm Chong, extracted from the Committal Order dated 6 August 2018:-

"IT IS HEREBY ORDERED that for her aforesaid contempt, the 2nd Defendant, Chong Lee Lee, do stand committed to prison to be there imprisoned therein if she does not pay the following fines: -"

<u>Contempt</u> <u>Contempt Description</u>	on/Charge <u>Sentence</u>
No./Charge	
1 Paragraphs (1)(A) & (1)(D) o	f the AP Order A fine of RM5,000.00 and in
	default thereof, two (2)
	months imprisonment.
2 Paragraphs (1)(B), (1)(D)	, (1)(N), (1)(M) A fine of RM5,000.00 and in
and/or (1)(Q) of the AP Orde	er default thereof, two (2)
	months imprisonment.
3 Paragraphs (1)(B), (1)(D)	, (1)(N), (1)(M) A fine of RM5,000.00 and in
and/or (1)(Q) of the AP Orde	er default thereof, two (2)
	months imprisonment.
4 Paragraphs (1)(D) & (1)(N) o	of the AP Order A fine of RM5,000.00 and in
	default thereof, two (2)
	months imprisonment.
5 Paragraphs (1)(A), (1)(B), (1)	(D), (1)(M), (1)(N) A fine of RM5,000.00 and in
& (1)(Q) of the AP Order	default thereof, two (2)
	months imprisonment.
6 Paragraphs (1)(A), (1)(B),	(1)(D) of the AP A fine of RM5,000.00 and in
Order & obstruction to the	administration of default thereof, two (2)
justice/interference with the	e course of justice months imprisonment.
7 Paragraphs (1)(A) & (1)(B) o	f the AP Order A fine of RM5,000.00 and in
	default thereof, two (2)
	months imprisonment.
8 Obstructing the adr	ninistration of A fine of RM5,000.00 and in
justice/interfering with the	course of justice default thereof, two (2)
	months imprisonment.
	f the AP Order & A fine of RM10,000.00 and
9 Paragraphs (1)(N), (7)(B) or	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
9 Paragraphs (1)(N), (7)(B) of obstruction to the administr	

	obstruction to the administration of justice	default thereof, four (4)
		months imprisonment.
11	Obstruction to the administration of justice	A fine of RM10,000.00 and in
		default thereof, four (4)
		months imprisonment.
12	Obstruction to the administration of justice	A fine of RM10,000.00 and in
		default thereof, four (4)
		months imprisonment.
13	Paragraphs (1)(N), (7)(B) & (7)(C) of the AP	A fine of RM10,000.00 and in
	Order	default thereof, four (4)
		months imprisonment.
14	Paragraph (1)(B) of the Prohibitory Order	A fine of RM5,000.00 and in
		default thereof, two (2)
		months imprisonment.
15	Paragraphs (1)(D), (1)(E) & (1)(G) of the	A fine of RM5,000.00 and in
	Prohibitory Order	default thereof, two (2)
		months imprisonment.
16	Paragraphs (1)(D), 1(E), (1)(F) & (1)(G) of the	A fine of RM5,000.00 and in
	Prohibitory Order	default thereof, two (2)
		months imprisonment.