



## Q & M DENTAL GROUP (SINGAPORE) LIMITED

(Company Registration Number 200800507R)

(Incorporated in the Republic of Singapore)

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### TERMINATION OF PROPOSED ACQUISITION OF ORDINARY SHARES IN THE CAPITAL OF SINGAPORE MEDICAL GROUP LIMITED

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1. The Board of Directors of Q & M Dental Group (Singapore) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to the conditional sale and purchase agreement (the “**Sale and Purchase Agreement**”) entered into on 27 December 2012 with Dr. Xiaoyan Baumann Geb. Bi. (“**XB**”) and Mr. Felix Huang Keming (“**FH**”, and together with XB, the “**Vendors**”) relating to the sale by the Vendors and the purchase by the Company of an aggregate of 105,767,700 ordinary shares (the “**Sale Shares**”) in the capital of Singapore Medical Group Limited (“**SMG**”), representing approximately 72.57% of all the issued ordinary shares (the “**SMG Shares**”) in the capital of SMG, for a cash consideration of S\$0.1323 for each Sale Share (the “**Proposed Acquisition**”).
2. In accordance with Clause 5.6 of the terms of the Sale and Purchase Agreement, the Company was notified on 14 March 2013 that the Vendors were in breach of representations and warranties as there had been a material change in the financial performance of SMG from the balance sheet date of 30 June 2012 to 31 December 2012. Under Clause 10 of the Sale and Purchase Agreement, the Company was entitled to terminate the Sale and the Purchase Agreement.
3. In the light of the above, the Company and the Vendors entered into negotiations to vary the consideration and other terms of the Sale and Purchase Agreement. However, parties were unable to reach an agreement and the parties thereafter have mutually agreed to terminate the Sale and Purchase Agreement. Parties have agreed that the Sale and Purchase Agreement had *ipso facto* ceased and all obligations and liabilities of all parties shall cease to have effect and none of the parties shall have any claim whatsoever against the other, their directors, officers, employees or representatives for costs, damages, compensation or otherwise.
4. The Company shall not be proceeding with the pre-conditional general offer as they have not completed the acquisition of the shares in SMG from the Vendors.

5. The Company had completed a placement of 55 million shares at a price of \$0.305 per share amounting to \$16.78 million to fund the acquisition of SMG on 17 January 2013. The Company will now utilize these proceeds for its expansion into the medical services business and other acquisitions.

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

Dr. Ng Chin Siau  
Group Chief Executive Officer  
Singapore, 9 May 2013

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For more information please contact:

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