



Q & M DENTAL GROUP (SINGAPORE) LIMITED

(Company Registration Number 200800507R)

(Incorporated in the Republic of Singapore)

**PROPOSED ACQUISITION OF 60% STAKE IN THE DENTAL GROUP
KNOWN AS AOXIN STOMATOLOGY GROUP**

1. The Board of Directors of Q & M Dental Group (Singapore) Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to refer to its announcement made on 30 July 2013 wherein it was stated that its wholly owned subsidiary, Q & M Dental Holdings (China) Pte. Ltd. (“**Q&M China**”) had entered into a non-binding Memorandum of Understanding (the “**MOU**”) with Dr. Yongxin Shao (“**Dr Shao**”) to acquire sixty per cent (60%) stake in the dental businesses owned by Dr Shao located in Shenyang, People’s Republic of China known as **Aoxin Stomatology Group** (“**Aoxin**”).
2. Further to the announcement, Q&M China, together with its wholly owned subsidiary in Shanghai, PRC, known as Shanghai Q&M Investment and Management & Consulting Co Ltd (“**Shanghai Q&M**”) have executed today with Dr Shao and Health Field Enterprise Ltd, (“**Health Field**”) a company incorporated in the British Virgin Islands, a binding Master Agreement (“**Master Agreement**”) setting out the key terms and conditions for the proposed acquisition and the ancillary documents to be executed by all parties.
3. The Purchase Consideration for the acquisition will remain at Renminbi 108 million. Q&M China will purchase 60% stake in a Singapore incorporated company known as Health Field Enterprises Pte Ltd from Health Field. Health Field Enterprises Pte Ltd will set up a wholly owned foreign enterprise company in Shenyang, People’s Republic of China, prior to completion of the acquisition of the 60% stake by Q&M China. The wholly owned enterprise shall have a registered capital of Renminbi 30 million. The wholly owned enterprise shall acquire the assets of Aoxin.
4. Dr Shao shall further set up a management company (“**MC**”) in Shenyang, PRC, to acquire the licences and management rights of Aoxin and Shanghai Q&M will acquire 60% of the management company from Dr Shao.
5. Pursuant to the Master Agreement, parties will execute further ancillary documents, inter alia
 - a. Sale and Purchase agreements for Health Field Enterprises Pte Ltd and the MC;
 - b. Shareholder agreement for Health Field Enterprises Pte Ltd and the MC;
 - c. Service agreements between the various parties;
 - d. Letters of Undertaking by Dr Shao and Health Field.
6. The Proposed Acquisition is subject to parties obtaining the relevant regulatory approvals, licences, stock exchange and shareholder’s approval and further due diligence by Q&M China.
7. The Company is seeking a waiver of the requirement to convene an extraordinary general meeting to obtain shareholders’ approval. If such waiver is not granted, a circular setting out further information and details of the Proposed Acquisition, together with a notice of the

extraordinary general meeting to be convened will be despatched by the Company to its shareholders in due course after the execution of the ancillary documents.

8. No person is proposed to be appointed as a director of the Company in connection with the Proposed Acquisition. Accordingly, no service contract is proposed to be entered into between the Company and any such person.
9. None of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Acquisition. As at the Announcement Date, none of the Directors or controlling shareholders of the Company holds any shares in the Business or Aoxin Dental Group, directly or indirectly.
10. A copy of the Master Agreement is available for inspection by shareholders of the Company at the registered office of the Company at 67 Ayer Rajah Crescent #05-12/14 Singapore 139950 during normal business hours for a period of three months from the date of this Announcement.
11. The Company will make further announcements of material information at the appropriate junctures.

By Order of the Board

Q & M Dental Group (Singapore) Limited

Dr. Ng Chin Siau
Group Chief Executive Officer
13 November 2013

About Q & M Dental Group (全民牙医集团 (新加坡) 有限公司)

Q & M Dental Group [QC7.SI] is a growing private dental healthcare group in Asia. The Group operates the largest network of dental outlets in Singapore and is building its presence in the People's Republic of China ("PRC") and Malaysia.

Founded in 1996, Q & M Dental Group has built an established brand through its reputation as a reliable provider of quality dental healthcare services. In Singapore, the Group has 52 dental clinics strategically located island-wide, four dental centres and one mobile dental clinic. It also owns two dental supplies and equipment distribution companies. The Group has a team of about 170 experienced dentists, supported by about 300 clinic support staff, to provide quality service to its patient pool of more than 450,000 island-wide.

Q & M Dental Group is presently executing plans to expand its presence in the overseas markets. To-date, the Group has invested in two dental healthcare groups in the PRC that operate a total of seven dental clinics, one dental centre and a mobile dental clinic in Beijing and Nanjing cities. It operates two clinics in Shanghai. It also has operates 8 clinics in Malaysia and a dental equipment distribution company.

The Group was listed on the Main Board of the SGX-ST on 26 November 2009. For further information on Q & M Dental Group, please visit the Group's website at www.QandMDental.com.sg

For more information please contact:

General Counsel

V Subramaniam Tel: 6779 3432 Email: subra@qandm.com.sg

Chief Financial Officer

Vitters Sim Yu Xiong Tel: 6779 7371 Email: vitters@qandm.com.sg