



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

ENTRY INTO A NON-BINDING MEMORANDUM OF UNDERSTANDING

1. INTRODUCTION

The board of directors (the “**Board**”) of Q & M Dental Group (Singapore) Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had on 22 October 2024, entered into a non-binding memorandum of understanding (“**MOU**”) with certain shareholders (the “**Vendors**”) of Guangdong Delun Medical Group Co., Ltd. (“**Delun**”). The MOU sets out certain key understandings between the Vendors and the Company, in respect of the Company’s proposed acquisition and investment in Delun (the “**Proposed Investment**”).

The MOU is only an expression of intent by the parties relating to the Proposed Investment and does not create any legally binding nor enforceable obligations on the parties.

2. INFORMATION ON DELUN

Delun is a company incorporated in the People’s Republic of China (“**PRC**”). Delun is principally engaged in the business of providing oral medical chain services, mainly focusing on the diagnosis and treatment of oral diseases and oral health care, repair and other oral medical services. Delun owns 1 dental hospital, 28 directly-managed chain outpatient clinics, with an operating area of more than 35,000 square meters and more than 400 dental chairs, which is one of the larger chain oral healthcare enterprises in South China.

3. DETAILS OF THE PROPOSED INVESTMENT

Under the Proposed Investment, it is proposed that the Company will acquire 25% of the total issued share capital of Delun.

The actual terms of the Proposed Investment will be negotiated and agreed upon between the parties to the MOU at the definitive agreement stage in respect of the Proposed Investment.

The Company will proceed to:

- (a) conduct legal, financial and operational due diligence on Delun and the Vendors;
- (b) evaluate the feasibility of the Proposed Investment; and
- (c) negotiate in good faith on the terms and conditions of a definitive agreement.

4. RATIONALE FOR THE PROPOSED INVESTMENT

The Group considers the Proposed Investment as an opportunity to expand its dental business in the Southern PRC.

5. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

To the best of the Board's knowledge, as of the date of this announcement, none of the Directors or controlling shareholders of the Company has any interest, direct or indirect, in the Proposed Investment, other than through their respective shareholdings (if any) in the Company.

6. FURTHER ANNOUNCEMENT(S)

The Company will make the necessary announcement(s) in relation to the Proposed Investment as and when there are any material developments on the matter, including the signing of any definitive agreements.

7. CAUTIONARY STATEMENT

Shareholders are advised to exercise caution in trading their shares. There is no certainty or assurance as at the date of this announcement that the Proposed Investment will be completed. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisors if they have any doubt about the actions they should take.

By Order of the Board

Ng Sook Hwa
Chief Financial Officer
23 October 2024