Q & M Dental Group (Singapore) Limited
(Company Registration Number 200800507R)
(Incorporated in the Republic of Singapore)

ENTRY INTO A MEMORANDUM OF UNDERSTANDING IN RELATION TO A PROPOSED ACQUISITION OF A DENTAL GROUP IN AUSTRALIA

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1. INTRODUCTION

The board of directors (the "**Board**" or the "**Directors**") of Q & M Dental Group (Singapore) Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company has entered into a non-binding memorandum of understanding on 11 March 2026 ("**Australian MOU**") in respect of the Company's proposed acquisition of an Australian dental group (the "**Australian Dental Group**") (the "**Proposed Australian Acquisition**").

2. THE PROPOSED AUSTRALIAN ACQUISITION

2.1. Information on the Australian Dental Group

The Australian Dental Group operates a network of more than 40 dental clinics across New South Wales, Victoria, Queensland, Tasmania and the Australian Capital Territory, providing a comprehensive range of dental services, including general dentistry, orthodontics, cosmetic dentistry and implantology. It has a clinical team of approximately 120 dentists, predominantly general practitioners. The Australian Dental Group is focused on delivering high-quality, patient-centred care and is committed to using contemporary technology, maintaining high clinical standards, and improving access to quality dental care for the community.

2.2. Details of the Proposed Australian Acquisition

Under the Proposed Australian Acquisition, the Company intends to acquire 100% of the issued share capital of the Australian Dental Group. The purchase consideration for the Proposed Australian Acquisition is AUD144.5 million, subject to adjustments upon completion of financial due diligence, and shall be satisfied in the following proportions:

(a) AUD30 million (approximately twenty-one per cent (21%) of the total consideration) shall be injected by the Company as capital into the Australian Dental Group after Completion, to be applied exclusively by the Australian Dental Group towards the payment and discharge of the Australian Dental Group's outstanding loans;

(b) AUD59.5 million (approximately forty-one per cent (41%) of the total consideration) shall be paid in cash to the sellers, of which (i) AUD40.75 million shall be paid on completion of the Proposed Australian Acquisition, and (ii) AUD18.75 million shall be paid one year after completion, subject to the sellers achieving the profit guarantee target for the first year; and

(c) AUD55 million (approximately thirty-eight per cent (38%) of the total consideration) shall be satisfied by the allotment and issuance of new ordinary shares in the capital of the Company to the sellers (the "**Consideration Shares**") at an issue price of S$0.70 per Consideration Share. The Consideration Shares will be subject to, among other things, a moratorium period of 15 years.

It is proposed that the Proposed Australian Acquisition will be supported by a profit guarantee of approximately AUD105.7 million for a period of seven (7) years following completion of the Proposed Australian Acquisition. The Australian Dental Group shall achieve: (i) for each of the first five (5) years, a consolidated net profit after tax ("**NPAT**") ranging from approximately AUD11.7 million in Year 1 and progressively increasing to approximately AUD17.1 million by Year 5, representing a growth rate of ten per cent (10%), calculated on a year-on-year basis, and (ii) for the sixth (6th) and seventh (7th) years, NPAT of AUD17.1 million for each year. In support of the profit guarantee, the sellers have also agreed to deposit AUD8 million in cash into an escrow account maintained by the Company to satisfy any shortfall payment in the event that the actual NPAT achieved by the Australian Dental Group falls below the guaranteed NPAT during the profit guarantee period. If the Australian Dental Group's consolidated NPAT meets or exceeds the guaranteed NPAT for the first year of the profit guarantee period, the amount in the escrow account shall be reduced from AUD8 million to AUD5.5 million for the remainder of the profit guarantee period.

It is proposed that the Proposed Australian Acquisition will also be supported by 15-year service agreements to be entered into by the sellers.

The parties have agreed, on a best endeavours basis, to enter into definitive documentation in respect of the Proposed Australian Acquisition, within a period of one (1) year from the date of the Australian MOU. The Proposed Australian Acquisition is subject to, among other things, necessary legal and regulatory clearance being obtained under the laws of Australia, the parties entering into definitive agreements on mutually acceptable terms, and the satisfaction of various conditions, including the conduct and completion of legal, financial and operational due diligence on the Australian Dental Group, its subsidiaries, its clinics, and the sellers.

2.3. Rationale for the Proposed Australian Acquisition

The Proposed Australian Acquisition supports the Company's long-term strategic objectives of expanding its footprint beyond Singapore and strengthening its presence in the Asia-Pacific region. Following the Company's proposed expansion into Thailand's private dental market as previously announced by the Company in its announcement dated 15 October 2025, the Proposed Australian Acquisition represents a further step in its international growth strategy and its objective of becoming a leading dental services provider in the Asia-Pacific region by enabling a measured and strategic entry into the Australian market through an established and scalable platform. The Australian Dental Group's network of dental clinics provides a strategic operating base that can be further expanded over time through organic growth and potential future acquisitions. It has a clinical team of approximately 120 dentists, predominantly general practitioners and the Company intends to grow the specialist divisions of the Australian Dental Group. The Company may leverage its experience in scaling, managing, and operating dental clinics to optimise the performance of the Australian Dental Group's network and drive long-term growth.

In addition, the sellers of the Australian Dental Group comprise eight (8) founding dentist-shareholders who are expected to remain actively involved in the business and will serve as key strategic partners of the Company in the Australian market. With their continued operational involvement, local market expertise and alignment with the long-term growth of the platform, as well as the strong similarities between the Australian Dental Group's growth trajectory and operating philosophy and the Company's, the Company believes that the sellers will play an

important role in supporting the Group's future expansion plans in Australia. Over time, they may also form part of the future leadership and succession pipeline of the Company as the Group continues to grow its regional dental platform.

Further, dentists graduating from accredited dental programmes in Australia may be eligible to practice in Singapore under conditional registration for a specified period (equivalent to 2-year full-time working hours), after which they may obtain full registration subject to meeting the relevant regulatory requirements. In this regard, the Australian platform may support the Group's dentist recruitment and development strategy by providing an additional pathway for clinician mobility within the Group's regional network.

3. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

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

4. FURTHER ANNOUNCEMENT(S)

The Company will make the necessary announcement(s) in relation to the Proposed Australian Acquisition as and when there are any material developments on the matter, including the signing of any definitive agreements. Such announcement(s) will include, where applicable, details of the consideration, the manner of payment of the consideration, the relative figures under Rule 1006 of the Listing Manual of the Singapore Exchange Securities Trading Limited and the financial effects of the Proposed Australian Acquisition.

5. CAUTIONARY STATEMENT

Shareholders of the Company are advised to exercise caution in trading the shares of the Company. There is no certainty or assurance that the Proposed Australian Acquisition will be completed. Shareholders are advised to read this announcement and any further announcements by the Company carefully. In the event of any doubt, shareholders should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

By Order of the Board
Ng Sook Hwa
Chief Financial Officer
11 March 2026