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

ENTRY INTO A NON-BINDING MEMORANDUM OF UNDERSTANDING IN RELATION TO THE PROPOSED DISPOSAL OF 60% OF ITS WHOLLY OWNED SUBSIDIARY, EM2AI PTE. LTD.

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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 14 August 2026 ("**MOU**") with Medi Lifestyle Limited (the "**Buyer**"), which contemplates the sale by the Company and purchase by the Buyer of 60% of the issued and paid-up capital (the "**Sale Shares**") of the Company's wholly-owned subsidiary, EM2AI Pte. Ltd. (the "**Target Company**", and together with its sole subsidiary, the "**Target Group**") (the "**Proposed Disposal**").

2. INFORMATION ON THE TARGET GROUP AND THE BUYER

2.1. Information on the Target Group

The Target Company is principally engaged in developing artificial intelligence for dental diagnosis and operates a clinic management system ("**EM2Clinic**"). Pursuant to a pre-completion restructuring to be undertaken, the parties agree that the EM2Clinic and the clinic management system business operated by the Target Company shall be transferred out of and/or removed from the Target Company prior to completion of the Proposed Disposal.

2.2. Information on the Buyer

Medi Lifestyle Limited (SGX: Z4D) is an SGX Catalist-listed investment holding company diversified across high-growth business services and international commerce. Through its dedicated operating subsidiaries, the Group provides outsourced permanent placement services in Singapore and operates an international commodity trading arm focused on the commodities trading business within Asia.

3. SALIENT TERMS OF THE MOU

3.1. Consideration

The consideration for the Proposed Disposal will be satisfied entirely by the allotment and issue of 138,000,000 new ordinary shares in the Buyer at an issue price of S$0.049 per share, imputing a value of approximately S$6.76 million to the Sale Shares.

3.2. Conditions Precedent

The Proposed Disposal is subject to customary conditions precedent, including but not limited to:

(a) due diligence (including but not limited to financial, legal and business) being completed to the sole satisfaction of the Buyer;

(b) no material adverse change in the business, operations, assets, position (financial, trading or otherwise), profits or prospects of the Target Group prior to completion of the Proposed Disposal ("**Completion**");

(c) the execution of a consultancy agreement by the Buyer with the Company or its nominee at terms satisfactory to the Company; and

(d) the Buyer undertaking to raise and/or to procure capital of not less than S$30 million in the two (2) years following Completion to fund subsequent business activities of the Target Company, including (without limitation), the growth of the Target Company in Singapore and South-East Asia region.

As part of a pre-completion restructuring, the Target Company's clinic management system business, known as EM2Clinic, will be transferred out of the Target Company and excluded from the Proposed Disposal in its entirety.

3.3. Profit Target

The parties intend to agree to a profit target mechanism in respect of the net profit of the Target Group for the financial years ending 31 December 2027 ("**FY2027**"), 31 December 2028 ("**FY2028**") and 31 December 2029 ("**FY2029**") on the following terms:

(a) for FY2027, an aggregate net profit after tax of not less than S$1,000,000;

(b) for FY2028, an aggregate net profit after tax of not less than S$1,500,000; and

(c) for FY2029, an aggregate net profit after tax of not less than S$2,500,000.

The terms and conditions of such profit target mechanism will be further discussed and set out in the definitive agreements to be entered into ("**Definitive Agreements**"), and subject to applicable laws and the listing rules of the SGX-ST.

3.4. Exclusivity and Termination

For a period of three (3) months from the date of signing of the MOU, none of the Target Company, its shareholders, its directors, or its officers, will conduct or solicit any discussions or negotiations with any third party regarding any sale of a material number of shares in the Target Company or any sale of a material part of the business and assets of the Target Company, unless approved in advance by the Buyer in writing.

The MOU shall automatically cease to have any effect on the earlier of: (a) the date the parties enter into the Definitive Agreements; and (b) the date the Company, by written notice to the Buyer, terminates the MOU.

3.5. Governing Law and Jurisdiction

The MOU and the Definitive Agreements will be governed by the laws of Singapore and the courts of Singapore shall have exclusive jurisdiction to settle any dispute arising out of or in connection with the MOU or the Definitive Agreements (including any dispute regarding their existence, validity or termination).

4. RATIONALE FOR THE PROPOSED DISPOSAL

The Proposed Disposal allows the Group to focus on its dental healthcare business segment while retaining exposure to the future growth of the Target Group. In consideration for the Proposed Disposal, the Group will receive consideration shares in the Buyer, thereby allowing the Group to participate in the future growth of the Buyer, and indirectly, the Target Group. At the same time, following Completion, the Group will retain a 40% interest in the Target Group and will therefore continue to participate directly in the future growth and performance of the Target Group. The Company will accordingly benefit from any potential upside from the Target Group through both its retained 40% interest in the Target Group and its equity interest in the Buyer, including through the Buyer's undertaking to raise and/or procure capital of not less than S$30 million within two (2) years following Completion to fund the subsequent business activities of the Target Company, including the growth of the Target Company in Singapore and the South East Asia Region. The Proposed Disposal will also provide the Group with an investment in the Buyer that may be monetised for the benefit of shareholders in the future.

5. 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 Disposal, 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 Disposal 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, further details on the structure and timing of payment of the consideration, the relative figures under Rule 1006 of the Listing Manual of the SGX-ST and the financial effects of the Proposed Disposal.

7. 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 Definitive Agreements will be entered into or that the Proposed Disposal will proceed to completion. 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
16 August 2026