



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

**PROPOSED SPIN-OFF AND LISTING OF THE GROUP'S DENTAL HEALTHCARE BUSINESS IN
IN THE PEOPLE'S REPUBLIC OF CHINA AND MALAYSIA**

1. INTRODUCTION

- 1.1. The Board of Directors (the **"Board"**) of Q & M Dental Group (Singapore) Limited (the **"Company"**) refers to its announcement dated 5 May 2015 in respect of a possible spin-off of its Dental Healthcare Business (the **"Proposed Spin-off Listing"**) conducted through Q & M Dental Holdings (China) Pte. Ltd. (**"QDHC"**) via a listing on a reputable stock exchange (the **"Previous Announcement"**).

Unless otherwise defined herein, all capitalised terms and references used herein shall bear the same meaning ascribed to them in the Previous Announcements.

- 1.2. The Board wishes to update the shareholders of the Company (the **"Shareholders"**) that the Company has decided to proceed with the Proposed Spin-off Listing by listing QDHC, comprising only of the Company's business of operating dental hospitals and clinics and a dental equipment and supplies distribution company in China (the **"Proposed Listing Group"**) on the Catalist Board of the Singapore Exchange Securities Trading Limited (the **"SGX-ST"**). For the avoidance of doubt, (i) QDGM which operates dental clinics and a dental supplies and equipment distribution company in Malaysia, and (ii) Q & M Dental Group (China) Pte. Ltd., which operates the Company's operations in Nanjing and Beijing, will not be a part of the Proposed Listing Group.
- 1.3. The Board is pleased to inform the Shareholders that the SGX-ST had on 7 June 2016 informed the Company that it has no further comments on the matters contemplated pursuant to the pre-consultation process by the Company in relation to the Proposed Spin-off Listing, including *inter alia*, the proposed steps for the resolution of potential conflict of interests.

2. THE PROPOSED SPIN-OFF LISTING

- 2.1 The Proposed Spin-off Listing will entail the Proposed Listing Group undertaking certain restructuring exercises (the **"Restructuring Exercise"**).
- 2.2 In its letter dated 18 February 2016, SGX-ST, as part of its review process, noted the following:
- (a) Chapter 9 of the Listing Manual of the SGX-ST will apply to certain aspect of the Restructuring Exercise as an interested person transaction and should be aggregated with other interested person transaction with the same interested person;

- (b) Chapter 10 of the Listing Manual of the SGX-ST is applicable to the Restructuring Exercise and certain aspect of the Restructuring Exercise will be viewed as a whole and tested against Rule 1006 of the Listing Manual of the SGX-ST;
- (c) the Proposed Spin-off Listing will require approval of the Shareholders under Rule 805 if the Proposed Listing Group is a principal subsidiary.

The Company is in the process of finalising the terms of the Restructuring Exercise and a detailed announcement will be made in this regard at the appropriate time.

- 2.3 The Company will seek Shareholders' approval at an extraordinary general meeting for the Restructuring Exercise and the Proposed Spin-off Listing. This will allow the Shareholders to consider the transaction in its totality and provide feedback to the management. A circular to Shareholders setting further details of the Proposed Spin-off Listing and the Restructuring Exercise will be despatched to Shareholders in due course.
- 2.4 The Company will announce any material developments on the Proposed Spin-off Listing as and when appropriate.

3. CAUTIONARY STATEMENT

The Company would like to highlight that the Proposed Spin-off Listing is in its preliminary stages and is dependent on, *inter alia*, the results of preparatory work to be undertaken, the requisite approvals from the relevant regulatory authorities, successful completion of the Restructuring Exercise, approval of the Shareholders and the then-prevailing market conditions. Further, the Directors may, notwithstanding that all requisite regulatory approvals have been obtained or will be obtained in due course, decide not to proceed with the Proposed Spin-off Listing if, having regard to investors' interests and response at the material time and any other relevant factors, the Directors deem it not in the interests of the Company to proceed with the same. Accordingly, there is no assurance that the Proposed Spin-off Listing will materialise in due course. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in doubt about the actions that they should take.

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

Vitters Sim
Chief Financial Officer
10 June 2016

For more information, please contact:

Legal Counsel
Andrew Young Tel: 6705 9888 Email: Andrew@gandm.com.sg.

Chief Financial Officer
Vitters Sim Tel: 6705 9888 Email: Vitters@gandm.com.sg.