



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 THAILAND

1. INTRODUCTION

Q & M Dental Group (Singapore) Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had on 15 October 2025, entered into a non-binding memorandum of understanding (“**MOU**”) in respect of the Company’s proposed acquisition, directly or indirectly, of an equity interest in a company (the “**Target**”) incorporated under the laws of Thailand (the “**Proposed Acquisition**”). The MOU sets out certain key understandings between the vendors and the Company in relation to the Proposed Acquisition.

BPLC Company Limited is acting as the financial advisor to the vendors in connection with the Proposed Acquisition.

2. INFORMATION ON THE TARGET

The Target is a company incorporated under the laws of Thailand and operates one of the country’s largest privately-owned dental clinic networks. It operates more than 30 dental clinics across Thailand, primarily in Bangkok and in major northeastern provinces such as Udon Thani, Khon Kaen, and Ubon Ratchathani. The clinics provide a comprehensive range of dental services, including general dentistry, orthodontics, prosthodontics, endodontics, cosmetic dentistry and implantology.

The Target’s dental clinic network focuses on accessible, standardised, and patient-oriented dental care in high-traffic urban and suburban areas. Each clinic follows a consistent operational framework overseen by regional managers to maintain service quality and efficiency. The Target has achieved strong growth through measured site expansion and brand development, building a recognised presence among local patients seeking reliable and affordable dental treatment.

3. DETAILS OF THE PROPOSED ACQUISITION

- 3.1. Under the Proposed Acquisition, the Company intends to acquire equity interest in the Target, whether directly or through its subsidiaries, subject to necessary legal and regulatory clearance being obtained.
- 3.2. The purchase consideration for the Proposed Acquisition is based on the enterprise value of the Target of Thai Baht 1,950,000,000 on a cash-free and debt-free basis, subject to customary net working capital adjustments to be made at completion. The purchase consideration will be satisfied by the Company by a combination of cash and new ordinary shares to be issued by the Company (“**Consideration Shares**”). The Consideration Shares will be subject to a moratorium period.

- 3.3. Under the Proposed Acquisition, the vendors will guarantee that the Target shall remain profitable and achieve, for each of the following financial years, a net income of not less than the amounts set out below (“**Profit Guarantee**”):

Financial Year	Net Income (THB million) (rounded to the nearest million)
2026	123
2027	151
2028	184
2029	223
2030	285

The methodology for determining net income, as well as the consequences and remedies in the event of any shortfall, shall be set out in the definitive agreements to be entered into by the parties.

- 3.4. In addition to the Profit Guarantee, the vendors will procure that the Target achieves further profit targets of a net income of at least Thai Baht 285 million for the financial years 2031, 2032 and 2033.
- 3.5. In addition, one of the vendors (“**Founder**”), who is a founder of the Target, will enter into a 15-year service agreement with the Target post-completion to continue serving in his capacity as Chief Executive Officer or Managing Director. Under the service agreement, the Founder will provide ongoing leadership, expertise, and operational support to the Target, ensuring continuity and leveraging his extensive knowledge of the business.
- 3.6. The Proposed Acquisition is subject to, among other things, 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 Target, its subsidiaries, its clinics, and the vendors.

4. **RATIONALE FOR THE PROPOSED ACQUISITION**

The Proposed Acquisition supports the Company’s long-term strategic objectives by enabling a measured and strategic entry into Thailand’s private dental market through an established local operator. Key strategic benefits include:

(a) **Immediate local presence**

The Target operates a network of more than 30 clinics across Bangkok and northeastern Thailand, providing the Company with an immediate foothold in a new market without the need to build operations from the ground up.

(b) **Geographic diversification**

By expanding its regional footprint beyond Singapore and Malaysia, the Company will diversify its market exposure and reduce reliance on its existing core markets, thereby enhancing resilience against market-specific risks

(c) **Scalable platform for growth**

The Target’s network of dental clinics provides a strategic operating base that can be further expanded over time through organic growth and potential future acquisitions. The Company may leverage its experience in scaling, managing, and operating dental clinics to optimise the performance of the Target’s network and drive long-term growth.

(d) **Operational synergies and capability sharing**

The Proposed Acquisition is expected to generate operational synergies for the Company and the Target through the sharing of clinical and operational best practices, procurement scale, training frameworks, and brand alignment. These shared capabilities may lead to cost efficiencies, improved service delivery, and enhanced scalability across the Group's regional operations.

(e) **Access to a growing dental market**

Thailand's private dental healthcare sector presents significant growth potential, driven by rising consumer awareness, increasing personal healthcare expenditure, and growing demand for standardised dental treatments. The acquisition strategically positions the Company to capitalise on this upward trend.

(f) **Strengthening regional brand credibility**

A successful execution and expansion into Thailand would enhance the Company's reputation as a leading regional dental services group, reinforcing its credibility for cross-border expansion in Southeast Asia and demonstrating its ability to execute effectively across different markets.

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 Acquisition, 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 Acquisition as and when there are any material developments on the matter, including the signing of any definitive agreements.

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 Proposed 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
15 October 2025