AOXIN Q & M DENTAL GROUP LIMITED
(Company Registration Number: 201110784M)
(Incorporated in the Republic of Singapore)

UPDATES IN RELATION TO:

(1) ACUMEN'S BUSINESSES – UPDATE TO LABORATORY BUSINESS AND CLOSURE OF SENGKANG JOINT TESTING VACCINATION CENTRE
(2) CONTRACTUAL TERMINATION OF DR ONG SIEW HWA ("DR ONG") AS THE CHIEF EXECUTIVE OFFICER OF ACUMEN UNDER THE ACUMEN SERVICE AGREEMENT
(3) THE CLA REPORT OF FACTUAL FINDINGS

---

1. INTRODUCTION

1.1. The board of directors (the "**Board**" or "**Directors**") of Aoxin Q & M Dental Group Limited (the "**Company**", and collectively with its subsidiaries, the "**Group**") refers to its announcements dated 29 June 2024, 16 September 2024 and 24 September 2024 (the "**Previous Announcements**"). Unless otherwise defined herein, capitalised terms used in this announcement shall have the same meaning as ascribed to them in the Previous Announcements.

1.2. As shareholders of the Company ("**Shareholders**") are aware, Acumen is a 49% associated company of the Group and the remaining 51% is held by the Company's controlling shareholder, Q & M Dental Group (Singapore) Limited ("**Q&M**"). As disclosed in the Previous Announcements, Acumen's Laboratory Licence had expired on 15 September 2024 and Acumen had temporarily ceased its business and operations related to the Laboratory Licence ("**Laboratory Business**") on the same day. The Board has, along with the board of directors of Q&M ("**Q&M Board**") and Acumen ("**Acumen Board**") (where relevant, excluding Dr Ong), conducted a strategic review of Acumen's businesses, in light of the expiry of its Laboratory Licence, as well as the Singapore Ministry of Health's ("**MOH**") press release in relation to (among other things) the closure of the Joint Testing and Vaccination Centre ("**JTVC**") located in Sengkang ("**Sengkang JTVC**"). The Board now wishes to present to the Shareholders the result of the Board's various discussions.

2. ACUMEN'S BUSINESSES

2.1. As at the date of this announcement, Acumen's business segments consist of (i) the Laboratory Business which was temporarily ceased on 15 September 2024 and (ii) offering COVID-19 vaccinations to the Singapore public pursuant to the tender contract with MOH at the Sengkang JTVC.

2.2. While the Laboratory Licence is necessary for the operations of the Laboratory Business, the business volume of this segment had been small since the shift away from polymerase chain reaction ("**PCR**") testing in Singapore for COVID-19 in late 2022. Accordingly, the non-COVID-19 related PCR tests undertaken by the Laboratory Business has reported losses in financial year ended 31 December 2023 ("**FY2023**") and for the first half ended 30 June 2024 ("**1H2024**").

2.3. Acumen was profitable in FY2023 and 1H2024 solely due to the income received from the government contract for operating the Sengkang JTVC, which is currently ongoing but will cease operations from 1 December 2024 (please refer to paragraph 2.6 below for further information). Income from the Sengkang JTVC has managed to cover the losses incurred by the Laboratory Business in FY2023 and 1H2024.

2.4. In order to carry out clinical laboratory services, Acumen would require a Laboratory Licence supported by a principal officer ("**PO**"), licensee and a clinical governance officer ("**CGO**"). The appointment of a new PO, licensee and CGO are subject to the approval from MOH. Prior to the expiry of the Laboratory Licence, Acumen's PO was Dr Ong.

2.5. In view of the above, the Board (with the concurrence of the Acumen Board and the Q&M Board) have decided to suspend Acumen's Laboratory Business with no immediate plans to reapply for the Laboratory Licence, for reasons that include but are not limited to the following:

(a) the loss-making position of the Laboratory Business for FY2023 and 1H2024;

(b) the shift away from COVID-19 PCR testing by the Singapore government; and

(c) the potential cost savings and other resources from suspending the Laboratory Business can be redirected to support and develop new businesses related to medical diagnostics or other future business of Acumen.

Closure of Sengkang JTVC

2.6. In addition, the Board refers to the press release dated 25 October 2024[1] ("**MOH Press Release**") issued by MOH. Pursuant to the MOH Press Release, MOH announced that, among other things:

(d) the JTVCs have served MOH well in offering mass testing and vaccination services during the pandemic. To bring COVID-19 vaccination closer to the community, close to 500 Healthier SG GP clinics and 10 polyclinics located island-wide are now providing COVID-19 vaccination services. In addition, more Healthier SG GP clinics will be onboarded to offer the COVID-19 vaccines; and

(e) in light of the above, the five remaining JTVCs at Bukit Merah, Jurong East, Kaki Bukit, Sengkang and Woodlands will cease operations from 1 December 2024.

Accordingly, Acumen has been directed by MOH to close the Sengkang JTVC, effective from 1 December 2024.

2.7. Following the closure of Sengkang JTVC from 1 December 2024, Acumen will be without any contribution from its sole revenue and income stream. Notwithstanding this, the Acumen Board will continue to actively monitor and tender for new MOH contracts as and when suitable tenders become available, given that its off-site medical licence was successfully renewed recently and will continue to be in force till September 2026. The Acumen Board may also explore the possibility of applying for a new Laboratory Licence from MOH for the resumption of the clinical testing services in the future.

3. CONTRACTUAL TERMINATION OF DR ONG AS CHIEF EXECUTIVE OFFICER OF ACUMEN UNDER THE ACUMEN SERVICE AGREEMENT

3.1. The Acumen Board has, pursuant to service agreement signed between Dr Ong and Acumen ("**Acumen Service Agreement**"), decided to exercise Acumen's contractual right to terminate Dr Ong's employment (as chief executive officer of Acumen) by providing her with two (2) months' salary in lieu of notice on 26 October 2024, without any compensation or damages payable by Acumen to Dr Ong ("**Contractual Termination of Dr Ong**"). Accordingly, Dr Ong's employment with Acumen has ended as of 26 October 2024.

[1] Ministry of Health (25 October 2024) *Update to Covid-19 Vaccination Recommendations and Rollout of Updated Jn.1 Vaccines* [https://www.moh.gov.sg/news-highlights/details/update-to-covid-19-vaccination-recommendations--and-rollout-of-updated-jn.1-vaccines].

3.2. In addition, pursuant to the service agreement signed between the Company and Dr Ong, the Company has on 27 October 2024 requested Dr Ong to resign from the Board, the Acumen Board and the board of directors of Acumen Research Laboratories Pte. Ltd. (a wholly-owned subsidiary of Acumen) ("**Acumen Research**") within seven (7) days from 27 October 2024.

4. UPDATE ON THE CLA REPORT OF FACTUAL FINDINGS

4.1. As disclosed in the Previous Announcements, the Acumen Board had placed Dr Ong on a leave of absence on or around late June 2024. In addition, Acumen had appointed CLA Global TS Risk Advisory Pte. Ltd. ("**CLA Global TS**") to conduct a fact-finding and review exercise to assist the Acumen Board in its investigation into Dr Ong's acquisition of an indirect interest in the assets of a supplier of Acumen and ancillary issues arising from it ("**Investigations**"). Dr. Ong had objected to being placed on the leave of absence by the Acumen Board on the ground that there is no cause for the Investigations.

4.2. As of the date of this announcement, CLA Global TS has provided the Acumen Board with its report of factual findings of the matters arising from the Investigations ("**CLA Report of Factual Findings**"). The CLA Report of Factual Findings lists relevant information concerning matters arising from the Investigations and has not provided any conclusions up to this point regarding Dr Ong's involvement in any misconduct under any relevant laws and regulations.

4.3. Taking into account, *inter* alia, the suspension of the Laboratory Business, the impending cessation of the Sengkang JTVC, the Contractual Termination of Dr Ong, and the additional time and cost to pursue the Investigations, the Acumen Board, with the concurrence of the Board and the Q&M Board, has decided not to continue the Investigations. Nevertheless, Acumen reserves the right to resume the Investigations should any new material evidence arise.

5. FINANCIAL EFFECTS

Depending on the future plans that the Acumen Board has for Acumen, the Board will consult with the Acumen Board, the Q&M Board and its auditors (if required) at the appropriate juncture to evaluate the materiality of the financial impact on Acumen and the consequential impact on the Group. Nevertheless, and assuming the cessation of Acumen's businesses, the resulting financial impact on the Group's earnings per share and net tangible assets per share for the current financial year ending 31 December 2024 is expected to be material.

6. FURTHER ANNOUNCEMENTS AND CAUTIONARY STATEMENT

The Company will make further announcement(s) to keep shareholders updated as and when there are material developments to the matter. **Shareholders are advised to exercise caution when dealing in the securities of the Company and to refrain from taking any action in relation to their shares which may be prejudicial to their interests.**

By Order of the Board

Mr. Chua Ser Miang
Non-Executive Chairman and Independent Director

28 October 2024

For more information, please contact:
Financial Controller
Loo Keat Choon
Tel: 6235 1188
Email: calvin@aoxin.sg

This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms Lim Hui Ling, 16 Collyer Quay, #10-00 Collyer Quay Centre, Singapore 049318, sponsorship@ppcf.com.sg