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

RESULTS OF THE SUBSIDIARIES IN RELATION TO THE PROFIT GUARANTEE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of Aoxin Q & M Dental Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 18 May 2018, 31 December 2018, 21 January 2020, 18 June 2021, 8 March 2022, 26 April 2022 and 18 March 2024 for the proposed acquisition of Youxin Dental Clinic ("**Aoxin Youxin**"); 15 May 2017, 18 September 2017, 8 December 2017, 29 January 2018, 1 March 2018 and 22 February 2023 for the proposed acquisition of Zhuanghe City Aoxin Dawei Dental Co., Ltd. ("**Aoxin Dawei**") and 15 May 2017, 18 September 2017, 30 October 2017, 3 September 2021, 18 March 2024 for the proposed acquisition of Shenyang Qingaomei Oral Restorative Technology Co., Ltd ("**Qingaomei**") (collectively, the "**Earlier Announcements**").

Unless otherwise defined in this announcement, all capitalised terms used in this announcement shall have the same meanings as set out in the Earlier Announcements.

The Board wishes to announce that the auditors, SBA Stone Forest (Beijing) CPA firm, have completed the audit of the following subsidiaries of the Company, being Aoxin Youxin, Aoxin Dawei and Qingaomei, for the financial year ended 31 December 2023 ("**FY2023**"). As such, the Board would like to provide updates to the respective profit guarantees provided to the Company in relation to the acquisitions of 100% equity interest in Youxin, Aoxin Dawei and Qingaomei.

2. PERFORMANCE OF PROFIT GUARANTEES

2.1 The respective vendors of Aoxin Youxin, Aoxin Dawei and Qingaomei had guaranteed, among other things, the net distributable profit/(loss) after tax adjusted for allowable expenses ("**Adjusted NDPAT**" or "**Adjusted NDLAT**") as set out in the respective master agreements or amended deeds, and undertakes to make up the shortfall (i.e. the difference between the relevant Profit Guarantee amount and the Adjusted NDPAT or Adjusted NDLAT), in the event that the Adjusted NDPAT is lower than the Profit Guarantee or the subsidiary recorded an Adjusted NDLAT, the vendor shall pay the shortfall to the Company's subsidiaries, namely Q & M Dental (Shenyang) Pte. Ltd. Or Shenyang Quanxin Medical Equipment Leasing Co., Ltd or Shenyang Xinao Hospital Management Co., Ltd.

2.2 Based on the audited financial statements of the aforementioned subsidiaries for FY2023, the Adjusted NDPAT and the resulting surplus in relation to the respective profit guarantee provided to the Company for FY2023 are as follow: -

Vendor	Subsidiary	Profit Guarantee amount for FY2023 (RMB)	Adjusted NDPAT for FY2023 (RMB)	Surplus for FY2023 (RMB)	Total cumulative surplus as at the date of this announcement (RMB)
1	Aoxin Youxin	500,000	796,577	296,577	296,577
2	Qingaomei and Shenyang Xinchuang Medical Technology Co., Ltd	2,303,029	3,291,461	988,432	4,446,271

2.3 Accordingly, the Board wishes to announce that the above subsidiaries have met the Profit Guarantee for FY2023.

2.4 For Vendor 1, the profit guarantee shortfall up to FY2022 had been announced on 18 March 2024 and the repayment plan had been agreed upon as stipulated in paragraph 5.1 of the aforesaid announcement. Hence the surplus achieved for FY2023 will not be used to offset shortfalls in prior years. Tranche 1 has been duly settled by the Vendor on 23 September 2023.

2.5

Subsidiary	Profit Guarantee amount for FY2022 (RMB)	Adjusted NDPAT for FY2022 (RMB)	Shortfall for FY2022 (RMB)	Profit Guarantee amount for FY2023 (RMB)	Adjusted NDPAT for FY2023 (RMB)	Surplus for FY2023 (RMB)	Total cumulative surplus as at the date of this announcement (RMB)
Aoxin Dawei	300,000	299,394	(606)	600,000	601,250	1,250	1,250

2.6 The vendor of Aoxin Dawei has not met his PG for FY2022 with a shortfall of RMB606, due mainly to weak consumer sentiment in China and the impact of the COVID-19 pandemic on China's economy. The vendor has met his Profit Guarantee for FY2023 with a surplus of RMB1,250.

2.7 All outstanding shortfall up till and including FY2022 had been fully repaid by the vendor of Aoxin Dawei on 13 October 2023.

3. FURTHER ANNOUNCEMENT(S)

The Company will make such further announcement(s) to keep Shareholders informed, as and when there are material updates or developments in connection with the Adjustments of the Profit Guarantee. Shareholders and potential investors are advised to exercise caution when dealing in the Company's securities. When in doubt, Shareholders and potential investors are advised to seek independent advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

By Order of the Board

Dr. Shao Yongxin
Executive Director and Group Chief Executive Officer

10 May 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