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

ISSUANCE OF LETTER OF DEMAND BY CONTROLLING SHAREHOLDER, Q & M DENTAL GROUP (SINGAPORE) LIMITED TO EXECUTIVE DIRECTOR AND GROUP CHIEF EXECUTIVE OFFICER

The Board of Directors (the "**Board**" or the "**Directors**") of Aoxin Q & M Dental Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the announcement dated 17 April 2025 by its controlling shareholder, Q & M Dental Group (Singapore) Limited ("**Q & M**"). The Board notes that Q & M had issued a letter of demand to our Executive Director and Group Chief Executive Officer ("**Group CEO**"), Dr Shao Yongxin ("**Dr. Shao**") demanding payment for an amount of RMB72,274,588 (approximately S$13,009,426 [1]) arising from shortfalls under certain profit guarantees ("**Shortfall Amount**") in connection with the acquisition by the Company's subsidiary, Shanghai Q & M Investment Management & Consulting Co. Ltd. of Shenyang Xinao Hospital Management Co., Ltd. from Dr. Shao prior to the public listing of the Company in 2017. The Board further notes that Q & M's Board is in the process of obtaining legal advice and will consider all available options for the recovery of the Shortfall Amount, including without limitation, the enforcement of the Share Security Agreement [2] between Q & M and Health Field Enterprises Limited ("**HFEL**").

A copy of Q & M's announcement in relation to the issuance of letter of demand is available on the SGXNET announcement page at the following URL:

https://links.sgx.com/1.0.0/corporate-announcements/DZQMGI5SF5FACYZG/772197e2aae7a9ce78ebd37551818c7389a3a56e42d935050c44107875465afe

2. As at the date of this announcement, HFEL holds directly 109,401,709 shares (or 21.39%) of the Company. HFEL is an investment holding company incorporated in the British Virgin Islands and is 100% owned by Action Health Enterprises Limited, an investment holding company incorporated in the British Virgin Islands, which is in turn 100% held by Dr. Shao.

3. This announcement should also be read in conjunction with the Company's offer document dated 18 April 2017 which included, *inter alia*, details of share security and escrow arrangements provided by HFEL and Dr. Shao, in favour of Q & M, as security for the performance of Dr. Shao's obligations under such profit guarantees.

4. The Board is of the view that the issuance of the letter of demand by Q & M to Dr. Shao is not expected to have any material impact on the financial position of the Company. The Board will assess any implications that may put Dr. Shao's suitability as the Executive Director and Group CEO of the Company in question at the appropriate juncture and will provide further updates when necessary.

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[1] Based on the foreign exchange rate of RMB 1: SGD 0.18

[2] Pursuant to the Share Security Agreement entered into between HFEL and Q & M, HFEL has created security interest over its shares held in Aoxin to Q & M for the entire duration of the profit guarantees.

The Company will make further announcements as and when there are material developments concerning this matter.

The Board wishes to advise shareholders and investors to exercise caution when dealing in the shares of the Company. Persons in doubt as to the action they should take are advised to consult their stockbrokers, bank manager, solicitors, accountants, or other professional advisers before trading or making any investment decision in the shares of the Company.

By Order of the Board
Aoxin Q & M Dental Group Limited

Mr. Chua Ser Miang
Non-Executive Chairman and Independent Director
20 April 2025

For more information, please contact:
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*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