

**PRESS RELEASE
FOR IMMEDIATE RELEASE**

CATALIST-listed AOXIN Q&M records 21% growth in revenue for full year ended 31 December 2021

- *EBITDA grew 47% for 12 months ended 31 Dec 2021*
- *Proposed listing of 49%-owned Acumen Diagnostics on NASDAQ will enhance AOXIN's shareholder value*
- *Growth trend in revenue expected to continue as COVID-19 situation in China improves*

Key Financial Performance Highlights (Period ended 31 December)

Group	Second Half			12 Months		
	2H2021	2H2020	Change	FY2021	FY2020	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
Revenue	77,910	83,665	(6.9)	160,180	132,561	20.8
EBITDA¹	9,789	9,641	1.5	13,945	9,460	47.4
Net (Loss)	(1,236)	(1,648)	(25.0)	(7,326)	(12,102)	(39.5)
Net (Loss) ²	(1,236)	(5,269)	(76.5)	(7,326)	(18,362)	(60.1)

¹ EBITDA: Earnings Before Interest Expenses, Tax, Depreciation and Amortisation

² Assuming without waiving the social security insurance contribution by Chinese government

Singapore, 23 February 2022 – Catalist listed Aoxin Q & M Dental Limited (“Aoxin” or “the Group”) (奥新全民口腔集团有限公司), today announced a 20.8% increase in revenue to RMB160.2 million for full year ended 31 December 2021 (“FY2021”). The Group reported a net loss after tax of RMB7.3 million for FY2021, an improvement from the net loss of RMB12.1 million from a year ago. In 2020, in view of COVID-19 situation, the Chinese government provided temporary relief to businesses by waiving the social security insurance contributions. Aoxin would have additional RMB6.3 million of social security insurance expenses recorded in FY2020 resulting in a Net Loss of RMB18.4 million, instead of RMB12.1 million.



Dr. Shao Yongxin (邵永新医生), Group Chief Executive Officer of Aoxin Q&M said, “Global economic prospects for 2022 will continue to be uncertain, with many countries still struggling to contain the rapid spread of the Omicron variant. The possibility of new COVID-19 strains cannot be ruled out. However, Aoxin Q&M's dental services make it resilient and well-positioned ride out the current downturn to capitalize on strategic opportunities in the post-COVID healthcare sector”.

Mr Ryan San (陈贻樑), Deputy Chief Executive Officer of Aoxin Q&M said, “The Group has been operating in a challenging environment, severely impacted by the recurring lockdowns of entire cities in the People’s Republic of China (“PRC”). We are keeping a close watch on the evolving COVID-19 situation in PRC, while managing our costs with strict discipline.”

Revenue

The Group’s revenue increased by RMB27.6 million or 20.8%, from RMB132.6 million in FY2020 to RMB160.2 million in FY2021, mainly due to the recovery in all business segments.

Revenue from primary healthcare segment increased by 19.7% from RMB78.5 million in FY2020 to RMB93.9 million in FY2021. The increase in revenue were from our key hospitals in Shenyang and Dalian cities, and a polyclinic in Panjin city mainly due to increase in patients.

Revenue from distribution of dental equipment and supplies segment achieved a significant growth of 24.8%. Revenue was RMB50.4 million in FY2021 as compared to RMB40.4 million in FY2020. There was a higher demand for dental supplies materials from government hospitals amidst a gradual economic recovery in China backed by rolling out of the COVID-19 vaccination in the country.

Revenue from laboratory services segment increased by 15.9% to RMB15.9 million in FY2021 as compared to RMB13.7 million in FY2020 due to increase in demand of such services from the government dental hospitals in Shenyang City.

EBITDA

The Group’s EBITDA also increased from RM9.5 million in FY2020 to RMB13.9 million in FY2021. The increase in EBITDA was mainly attributable to higher revenue and better performance from key dental hospitals and polyclinics as well as higher sales for dental equipment and supplies. Despite a positive EBITDA of RMB13.9 million, the Group recorded a loss of RMB7.3 million due to salary increment and recruitment expenses, as well as higher other expenses, such as acquisition related fees for Acumen Diagnostics Pte. Ltd. (“Acumen Diagnostics”) and other tax expenses.

Mr Ryan San (陈贻樑), Deputy Chief Executive Officer of Aoxin Q&M added. *“We are also hopeful that moving forward, our recent acquisition of a 49% stake in Acumen Diagnostics will improve the profitability and cashflow of the Group. With Acumen Diagnostics expertise in R&D and medical diagnostics we will be able to play a vital role in support of the Singapore government’s strategy of living with COVID-19. Concomitantly, this will also contribute to the growth of the Group.”*

Updates on associate - Acumen Diagnostics

- **Capabilities to Tackle Omicron COVID-19 Variant**

Acumen Diagnostics will continue to offer COVID-19 testing by polymerase chain reaction (“PCR”) for patients that require PCR test results and for travelers as Singapore opens its borders, as well as distribute COVID-19 antigen rapid tests (“ART”). It will also launch a panel of new PCR tests for infectious diseases, sepsis and cancer.

On 3 December 2021, Acumen Diagnostics announced that its proprietary, locally-manufactured PCR test kits Acu-Corona 2.0 and Acu-Corona Duplex are able to detect COVID-19 positive cases infected with the Omicron variant. On 16 December 2021, Acumen Diagnostics announced that it has been granted a license by Ministry of Health, Singapore to provide offsite COVID-19 PCR swab services and serology sample collection at 100 clinics.

Acumen Diagnostics will continue to roll out its testing services via the Q&M Dental Group Limited’s network of clinics, and also at its headquarters located at The Gemini, 41 Science Park Road, Singapore. Currently, Acumen Diagnostics has about 61 clinics providing the testing services island-wide.

- **Proposed listing on NASDAQ stock exchange in relation to Acumen Diagnostics Pte. Ltd.**

On 17 January 2022, Aoxin announced that the associated company of the Group, Acumen Diagnostics is exploring a proposed listing of its securities on the NASDAQ stock exchange in New York, USA. In this regard, Acumen Diagnostics has appointed UOB Kay Hian Private Limited to assist Acumen Diagnostics with the listing evaluation and all relevant preparatory work including the selection of professional advisers and underwriting banks in relation to the proposed listing and fund-raising exercise.



Looking Forward

Aoxin's FY2021 results reflects the significant upturn in revenue as compared to FY2020 revenue which was the period when the COVID-19 pandemic in PRC was in a more serious phase. As the COVID-19 situation in the PRC continues to improve, we expect the Group's revenue to correspondingly improve.

In addition, the recent 49% acquisition of medical technology company, Acumen Diagnostics for S\$29.4 million on 1 November 2021, will enhance the profitability of the Group going forward.

The business environment is expected to remain challenging for the year ahead, as many countries including PRC struggle to contain the rapid spread of the COVID-19 virus demonstrated by new waves of infections.

The Group will continue to focus on disciplined management of operating expenditures, costs and capital expenditures. The Group will continue to monitor its expenses and maximise cost efficiency for operations.

Barring any unforeseen circumstances and further worsening of the COVID-19 situation such as ad-hoc lock down or temporary closures in cities where we operate, there are no known significant changes in the trends and competitive conditions of the industry in which the Group operates and no other major known factors or events that may adversely affect the Group in the next reporting period and the next 12 months. The Group will continue to monitor its operating expenses and maximise cost efficiency for operations.

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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 document, including the correctness of any of the statements or opinions made or reports contained in this document.

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About Aoxin Q & M Dental Group Limited (Stock Code: 1D4.SI) www.aoxinqm.com.sg

Aoxin Q & M Dental Group Limited ("Aoxin Q & M" or together with its subsidiaries, the "Group") is a leading provider of private dental services in the Liaoning Province, Northern People's Republic of China ("PRC"). The Group operates 16 dental centres, comprising 10 dental polyclinics and 6 dental hospitals, located across 8 cities in Liaoning Province, namely Shenyang, Huludao, Panjin, Gaizhou, Zhuanghe, Jinzhou, Dalian and Anshan.

We currently have 400 dental professionals, including 170 dentists, 180 dental surgery assistants and 50 laboratory technicians.

A majority of the dental centres are accredited as Designated Medical Institutions of Medical Insurance. Additionally, the Group is engaged in the provision of dental laboratory services, as well as the distribution and sale of dental equipment and supplies in the Liaoning, Heilongjiang and Jilin Provinces in Northern PRC.

Aoxin Q & M was listed on the Catalist board of the Singapore Exchange Securities Trading Limited on 26 April 2017.

About Acumen Diagnostics Pte. Ltd. (www.acumen-research.com)

Acumen Diagnostics Pte. Ltd. ("Acumen Diagnostics") is a homegrown Singaporean, award-winning medical technology company. It is fully integrated with functions in research and development, manufacturing, as well as commercialisation of molecular diagnostics by distribution as well as conducting clinical laboratory testing services for (including but not limited to) infectious diseases, cancer, and COVID-19. It has also actively established frontline services such as COVID-19 on-site swabbing operations.

Acumen Diagnostics is a 51% subsidiary of SGX-listed Q & M Dental Group (Singapore) Limited (SGX: 1D4.SI) and 49%-owned by SGX-listed Aoxin Q & M Dental Group Limited (SGX: QC7.SI).

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