



AOXIN Q & M DENTAL GROUP LIMITED

(Company Registration Number: 201110784M)

(Incorporated in the Republic of Singapore)

RESPONSES TO QUESTIONS RECEIVED FROM SIAS IN RELATION TO THE ANNUAL GENERAL MEETING TO BE HELD ON 27 APRIL 2026

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 notice of annual general meeting ("**AGM**") and the related documents released via the SGXNet on 10 April 2026 and wishes to announce that the Company has on 21 April 2026, received questions from Securities Investors Associations (Singapore) ("**SIAS**") in relation to the AGM which will be held on 27 April 2026 at 2.30 p.m. (Singapore time).

Please see Appendix 1 for the Company's responses to the questions received from SIAS. It is important to note that these questions and responses should be read in conjunction with the Company's Annual Report for the financial year ended 31 December 2025 (the "**Annual Report**") released via SGXNet.

By Order of the Board

Aoxin Q & M Dental Group Limited

Mr Chua Ser Miang
Non-Executive Chairman and Independent Director
26 April 2026

*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.*

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APPENDIX 1

RESPONSES TO QUESTIONS RECEIVED FROM SIAS

Question 1

The company was listed in April 2017 with a geographic mandate to expand across multiple provinces in northern China. At the time of listing, the group operated or managed 11 dental hospitals and polyclinics in four cities within Liaoning Province and indicated its intention to expand beyond this region.

As at FY2025, the group operates 14 dental hospitals and polyclinics, all still within Liaoning Province. Over the same period, the number of dentist in the group increased modestly from 120 to 138.

- (i) In light of the limited geographic expansion since listing and recent management changes and corporate actions, can the board provide a clear and comprehensive articulation of the group's current growth strategy and priorities, including whether expansion beyond Liaoning remains a core objective?

On 27 March 2026, the company announced that it had entered into a non-binding memorandum of understanding dated 25 March 2026 to acquire a dental group in China for a consideration of RMB150 million. The target group operates a network of approximately 30 dental clinics and includes a medical device business.

- (ii) What level of due diligence have the independent directors undertaken in relation to this proposed acquisition, including their assessment of valuation, integration risks, and alignment with the group's strategic direction?

The company announced several material developments within a short period, including a placement on 3 March, the closure of a hospital on 23 March, an upsizing of the placement on 24 March, and the proposed acquisition on 27 March.

- (iii) How did the board ensure that disclosures were timely, complete, and disseminated to all shareholders, and that robust information barriers and governance processes were in place to prevent any actual or perceived information asymmetry, particularly in light of the controlling shareholder's involvement in both the placement and proposed acquisition? How has the board assessed and managed any potential conflicts of interest arising from the controlling shareholder's dual role?
- (iv) In addition, how does the board assess the materiality of events such as the hospital closure relative to the group's profitability, and how does it ensure that such developments are disclosed in a timely and sufficient manner to both existing shareholders and investors participating in/evaluating the placement?

Company's response

- (i) As disclosed in the Company's Annual Reports for FY2024 and FY2025, the number of dentists in the Group was 138 as at end 2025, compared to 146 dentists as at end 2024.

Since its listing in 2017, the Group has remained focused on Liaoning Province. Between 2017 and 2019, the Group expanded within the province through acquisitions and the establishment of new hospitals and clinics. This reflected a deliberate strategy to consolidate its market position, strengthen clinical capabilities and expand revenue streams.

Looking ahead, the Board views expansion beyond Liaoning Province as a medium- to long-term objective, due to the stronger population growth and higher income levels per capita in certain central and southern regions of the People's Republic of China. Expansion into these regions would allow the Group to diversify its revenue base and capture growth opportunities in markets with favourable demographic and economic trends.

The Group will adopt a disciplined and cautious approach, focusing on suitable targets that complement its existing capabilities. Recent management changes and corporate actions are intended to strengthen execution capabilities and support this next phase of growth, including potential acquisitions.

- (ii) As for the MOU signed in relation to the proposed acquisition announced on 27 March 2026, the independent directors have been kept in the loop from an early stage. Their focus is to ensure that the transaction is rigorously evaluated and aligned with the Group's strategic objectives.

The independent directors have emphasised that comprehensive financial, legal, and operational due diligence will be undertaken prior to the signing of any definitive agreement. They have also highlighted the importance of financial discipline, including ensuring that any acquisition is appropriately valued, does not unduly strain the Group's balance sheet, and delivers sustainable returns.

They will continue to exercise independent judgement, provide strategic guidance and, where appropriate, engage external professional advisers to ensure that any transaction being considered by the Company is conducted on arm's length terms and in the best interests of the Company and its shareholders.

- (iii) The Board has established a structured disclosure and governance framework to ensure that material information is handled in a timely manner with integrity, consistency, and transparency. Announcements are subject to internal review involving senior management, the Board, the Company Secretary, and, where appropriate, external advisers to ensure accuracy, completeness, and compliance before release. All material developments are disclosed promptly via SGXNet to ensure simultaneous dissemination.

To mitigate information asymmetry, particularly in light of the controlling shareholder's involvement in both the placement and the proposed acquisition, access to price-sensitive information is restricted to on a need-to-know basis.

In respect of potential conflicts of interest, the controlling shareholder and any interested directors, including common directors on both the boards of the Company and that of the controlling shareholder, have and will continue to abstain from relevant deliberations and decision-making. Independent directors play a key role in reviewing such transactions, and where appropriate, external advisers may be engaged to assess whether the transactions are conducted on arm's length terms and are in the best interests of the Company and its minority shareholders.

- (iv) In relation to the closure of our Panjin Hospital, the Board assessed the impact of the closure based on both quantitative and qualitative factors. Quantitatively, the impact on key financial metrics such as revenue, profit, and net assets was evaluated against the Group's financial position and regulatory guidelines. Qualitatively, the Board considered operational, strategic, and reputational implications, as well as the potential impact on investors' decision-making.

Once the decision to close the Panjin Hospital was reached, the Company ensured timely disclosure in accordance with its continuing disclosure obligations as a listed company, with sufficient information to enable the Company's shareholders to understand its nature and impact.

In the context of concurrent corporate exercises, such as the placements, the Board ensures that all investors have access to the same material information through coordinated and timely disclosures, in order to uphold transparency and market integrity.

Question 2

On 22 June 2025, the company announced that National Healthcare Security Administration 国家医疗保障局 (“NHSA”) had initiated a “self-review” and “self-correction” [自查自纠] exercise in relation to insurance claims under the government medical co-payment scheme. Two of the group’s hospitals participated in this exercise and identified RMB3.7 million of excess claim relating to material cost, which were subsequently refunded.

i Can the board explain the specific control deficiencies that led to the excess claims, and outline the policies, systems, and oversight mechanisms in place to ensure that billing practices are accurate, compliant, and aligned with ethical standards?

ii How does the board assess the severity of this incident, and what comprehensive review has been undertaken across the group to ensure that similar issues do not exist in other hospitals or business units?

Company’s response

- (i) The Board understands that the regulatory requirements and their implementation in relation to Yi Bao medical insurance claims have been subject to ongoing refinement by the relevant authorities, including evolving interpretations on the classification and reimbursement of certain consumables and materials. As part of the broader industry-wide reviews, healthcare providers in the People’s Republic of China (“**PRC**”), including the Group, have been required to reassess historical claims to ensure alignment with the latest regulatory expectations.

In this context, the discrepancies identified in the Group’s claims primarily arose from differences in interpretation and application of the relevant guidelines at the operational level, rather than from any systemic breakdown in the Group’s internal control framework.

Notwithstanding the above, the Board has overseen enhancements to further strengthen consistency and compliance, including the standardisation of billing protocols, system improvements to support validation and monitoring of claims, and targeted training to reinforce understanding of applicable requirements among relevant personnel.

- (ii) In relation to the over-claiming incident, the Board takes a serious view of the matter, but also acknowledges that such incidents, under the context of the broader regulatory environment, occur commonly in the entire private healthcare industry in the PRC.

The Group identified excess claims relating to materials costs amounting to approximately RMB6.2 million in respect of two hospitals. Based on the review conducted, the Board is of the view that the matter does not indicate systemic issues across the Group.

Nonetheless, the Board has taken steps to strengthen oversight and ensure consistent application of regulatory requirements across the Group, including engaging external advisers with relevant expertise, enhancing internal processes, and extending compliance reviews to other operating units where appropriate.

Question 3

At the conclusion of the annual general meeting on 27 April 2026, Mr Chua Ser Miang would be re-designated as non-independent chairman upon reaching the nine-year tenure limit for independent directors. Mr Chua Ser Miang was first appointed on 30 March 2017.

On the same date, Professor Chew Chong Yin and Mr Lim Ming Khin will also retire from the board for the same reason.

The nominating committee currently comprises Mr Lin Ming Khin (as chairman), Professor Chew Chong Yin, Mr Chua Ser Miang and Mr Chong Eng Wee.

- (i) What has been the total shareholder return over the past five years and since the company's listing in April 2017, and how does the board assess its performance in delivering long-term shareholder value over this period?**
- (ii) Can the board explain the rationale for retaining Mr Chua Ser Miang as chairman in a non-independent capacity after exceeding the tenure limit, and whether the board considers his continued role to be critical to the group's stability or strategy? In this context, what succession considerations were evaluated, and what are the near-term plans to transition to a new independent chairman?**
- (iii) In light of the simultaneous retirement of two independent directors and the re-designation of the chairman as non-independent, how does the nominating committee assess whether the resulting board composition remains aligned with the principles and expectations of the Code of Corporate Governance? Does the committee consider this to be the outcome of a robust succession planning process, and on what basis?**

Company's response

- (i) The Board notes that the Group's total shareholder return over the past five years and since its listing in April 2017 have been impacted by the Group's financial performance over these two periods, respectively.**

In particular, the Group experienced a prolonged period of losses from 2018 to 2024, which was further exacerbated by the COVID-19 pandemic and related restrictions in the PRC that affected patient volumes and operations across its network. These developments have been fully disclosed in the Company's financial statements and announcements over the relevant period.

Notwithstanding the above, the Board is of the view that the Group has, during the period, taken steps to stabilise its operations, strengthen its clinical and operational capabilities, and position the business for recovery and future growth.

Looking ahead, the Board is focused on improving financial performance and delivering sustainable shareholder value through a combination of operational improvements, disciplined cost management, and selective expansion, including potential acquisitions. Recent management changes and corporate initiatives are intended to enhance execution and support this next phase of growth.

The Board acknowledges the importance of long-term shareholder return and remains committed to improving the Group's performance and creating value for shareholders over time.

- (ii) The decision to retain Chua Ser Miang as the Chairman of the Board in a non-independent capacity following the nine-year tenure limit was made after careful consideration by the Board and the Nominating Committee. The Board recognises his extensive experience, deep institutional knowledge, and familiarity with the Group's operations, regulatory environment, and stakeholder landscape, which are viewed as valuable during a period of transition and strategic repositioning.

His continued role is intended to provide leadership continuity and stability, particularly in light of concurrent board changes and ongoing strategic initiatives. At the same time, the Board is mindful of the importance of board independence and governance standards. Accordingly, Chua Ser Miang will no longer be considered independent, and appropriate checks and balances—such as a strong presence of independent directors and independent-led board committees—will be maintained and/or established.

- (iii) The Nominating Committee (“**NC**”) and the Board are mindful of the principles and expectations of the Code of Corporate Governance 2018, including maintaining an appropriate level of independence.

The recent Board changes were considered as part of the Board's ongoing renewal and succession planning process, taking into account tenure considerations and the need for Board refreshment and continuity.

The NC acknowledges that the Board's composition, upon the retirement and/or redesignation of 3 of the current Independent Directors, requires enhancement in terms of level of independence. To address this, the NC and the Board have already shortlisted a candidate for appointment as an Independent Director and Audit Committee Chairman, who is currently undergoing due diligence. The NC is also in the process of identifying an additional suitable candidate. The Company will make the necessary announcements in due course.

In the interim, existing governance processes, including Board committee oversight and recusal protocols where appropriate, remain in place to ensure effective oversight. The NC remains committed to ensuring that the Board composition is aligned with the spirit of the Code of Corporate Governance 2018.