



**Q & M DENTAL GROUP (SINGAPORE) LIMITED**  
 (Company Registration Number 200800507R)  
 (Incorporated in the Republic of Singapore)

**RESPONSE TO SGX QUERY IN RESPECT OF THE COMPANY'S SECOND HALF  
 YEARLY AND/OR FULL YEAR RESULTS**

The board of directors (the "**Board**" or "**Directors**") of Q & M Dental Group (Singapore) Limited ("**Q & M**" or the "**Company**", and together with its subsidiaries, the "**Group**") has received the following query from the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in respect of the Company's second half yearly and/or full year results, and wishes to provide its response:

**SGX-ST QUERY**

We note that share of loss from equity-accounted associate decreased by 85% as Aoxin Q & M managed to turn from a loss in 2H2022 to profit in 2H2023, resulting in the Group to record a share of profit of \$0.1 million in 2H2023:

- (a) Please provide a reconciliation to the interim financial statements announced by Aoxin Q & M Dental Group Ltd. on 29 February 2024, which shows a loss after tax of RMB 46.1 million in 2H2023; and
- (b) Please provide a breakdown of the share of loss from equity-accounted associate for both FY2023 and FY2022, and a review of the performances of the associated companies.

**COMPANY'S RESPONSE**

- (a) Reconciliation to the interim financial statements of Aoxin Q & M Dental Group Limited ("Aoxin") to the interim financial statements of Q & M

	<b>2H2023</b>
	<b>Note RMB '000</b>
<b><u>Aoxin</u></b>	
Loss after tax as per announcement on 29 February 2024	(46,146)
Add / (less):	
Share of loss from equity-accounted associate, Acumen Diagnostics Pte. Ltd. ("Acumen")	1 988
Impairment on associate, Acumen	1 46,869
Timing difference entries:	2
Impairment allowance on trade receivables – reversal in 2H2023	141
Decrease in laboratory charges in 1H2023	81
Profit after above entries	1,933
Exchange rate	5.3239
Profit (SGD '000)	362
<b><u>Q &amp; M</u></b>	
Share of profit from equity-accounted associate at 32.79% as per announcement on 29 February 2024 (SGD '000)	120

- (b) Breakdown of the share of loss from equity-accounted associate for FY2023 and FY2022 and a review of Aoxin's result

		FY2023	FY2022	Changes	
	Note	RMB '000	RMB '000	SGD'000	%
<b><u>Aoxin</u></b>					
Loss after tax as per announcement on 29 February 2024		(47,300)	(67,675)		
Add / (less):					
Share of (profit) / loss from equity-accounted associate, Acumen	1	(1,061)	(1,720)		
Impairment on associate, Acumen	1	46,869	60,175		
Reversal of share option amortisation	3		768		
Timing difference entries:	2				
Impairment allowance on trade receivables – reversal in 2H2023		141			
Loss after above entries		(1,351)	(8,452)		
Exchange rate		5.3239	5.157		
Loss (SGD '000)		(253)	(1,639)	1,386	(85)
<b><u>Q &amp; M</u></b>					
Share of loss from equity-accounted associate at 32.79% as per announcement on 29 February 2024 (SGD '000)		(83)	(537)	454	(85)

The share of loss from equity-accounted associate, Aoxin decreased by 85% from SGD0.5 million in FY2022 to SGD0.1 million in FY2023. The decrease of SGD0.4 million was largely attributable by the 26.9% or RMB37.6 million increase in Aoxin's revenue resulted from the recovery of Covid-19 for all business segments of Aoxin Group.

**Note:**

1. These were eliminated in the Q & M Group's consolidated financial statements as Acumen is a subsidiary of Q & M and its result is already included in Q & M Group's consolidated financial statements.
2. Timing difference entries were caused by late entries posted by Aoxin which were deemed immaterial to Q & M at the time of announcement.
3. The difference between the issue price and IPO price of shares subscription by Honor Pte. Ltd. was amortised to profit or loss over 5 years as share-based payments in Aoxin. However, Q & M had amortised fully to profit or loss in the deconsolidation of Aoxin in 2017 due to the spin-off of Aoxin.

**By Order of the Board**

Q & M Dental Group (Singapore) Limited

Ng Sook Hwa  
Chief Financial Officer  
7 March 2024

---

For more information, please contact:

**Chief Financial Officer**

Ng Sook Hwa  
Tel: 6705 9888  
Email: melanie@qnm.sg