



**Condensed Financial Statement And Dividend Announcement For The Year Ended 31 December 2023**

**1(a) Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income**

	Note	Group					
		Second Half			Year-To-Date		
		2H 2023 \$'000	2H 2022 \$'000	Change %	31/12/2023 \$'000	31/12/2022 \$'000	Change %
<b>Revenue</b>							
Dental and Medical Clinics		88,893	82,399	8	167,765	160,895	4
Medical Laboratory and Dental Equipment & Supplies		6,685	7,905	(15)	14,958	20,319	(26)
<b>Total Revenue</b>	3	95,578	90,304	6	182,723	181,214	1
<b>Other Items of Income</b>							
Interest Income		52	16	225	61	25	144
<b>Other Items of Expense</b>							
Consumables and Supplies Used in Dental & Medical Clinics		(7,783)	(7,165)	9	(14,405)	(13,816)	4
Cost of Sales - Medical Laboratory and Dental Equipment & Supplies		(2,944)	(5,270)	(44)	(6,914)	(11,354)	(39)
Employee Benefits Expense		(56,914)	(53,254)	7	(108,853)	(103,612)	5
Depreciation and Amortisation Expense		(2,657)	(2,585)	3	(5,083)	(4,890)	4
Depreciation of Right-Of-Use Assets		(6,234)	(6,190)	1	(12,693)	(12,169)	4
Other Expenses		(6,656)	(6,066)	10	(12,514)	(11,465)	9
Finance Costs	5	(2,874)	(2,378)	21	(5,655)	(3,909)	45
Other (Losses) Gains - Net	4	(2,844)	(5,163)	(45)	(2,920)	(5,210)	(44)
Share of Loss from Equity-Accounted Associate		120	(37)	NM	(83)	(537)	(85)
<b>Profit Before Tax from Continuing Operations</b>		6,844	2,212	209	13,664	14,277	(4)
Income Tax Expense	6	(1,484)	(897)	65	(2,591)	(2,421)	7
<b>Profit From Continuing Operations, Net of Tax</b>		5,360	1,315	308	11,073	11,856	(7)
<b>Other Comprehensive Loss:</b>							
Exchange Differences on Translating Foreign Operations, Net of Tax		(176)	(1,331)	(87)	(1,169)	(2,005)	(42)
<b>Other Comprehensive Loss for the Period, Net of Tax</b>		(176)	(1,331)	(87)	(1,169)	(2,005)	(42)
<b>Total Comprehensive Income (Loss) for the Period</b>		5,184	(16)	NM	9,904	9,851	1
<b>Profit (Loss) Attributable to:</b>							
Owners of the Parent, Net of Tax		6,183	1,460	323	11,517	11,309	2
Non-Controlling Interests, Net of Tax		(823)	(145)	468	(444)	547	NM
<b>Profit, Net of Tax</b>		5,360	1,315	308	11,073	11,856	(7)
<b>Total Comprehensive Income (Loss) Attributable to:</b>							
Owners of the Parent		6,017	175	3,338	10,437	9,378	11
Non-Controlling Interests		(833)	(191)	(336)	(533)	473	NM
<b>Total Comprehensive Income (Loss)</b>		5,184	(16)	NM	9,904	9,851	1

NM: Not Meaningful



**Q & M Dental Group (Singapore) Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200800507R)

	Note	Group					
		Second Half			Year-To-Date		
		2H 2023 \$'000	2H 2022 \$'000	Change %	31/12/2023 \$'000	31/12/2022 \$'000	Change %
<b>EBITDA</b>		18,557	13,349	39	37,034	35,220	5
<b>Earnings Per Share</b>							
Based on the Weighted Average Number of Ordinary <sup>(a)</sup> Shares on Issue – Cents		0.65	0.16		1.22	1.20	
Fully Diluted Basis – Cents		0.65	0.16		1.22	1.20	

- (a) The basic EPS for the period ended 31 December 2023 and 31 December 2022 are based on the profit attributable to equity holders of parent, net of tax and weighted average number of ordinary shares of 946,442,940 and 940,842,940 shares respectively.

	Note	Group					
		Second Half			Year-To-Date		
		2H 2023 \$'000	2H 2022 \$'000	Change %	31/12/2023 \$'000	31/12/2022 \$'000	Change %
<b>Core Healthcare Business<sup>(b)</sup>:</b>							
Revenue		92,895	88,402	5	176,204	172,131	2
PATMI <sup>(c)</sup>		8,788	7,657	15	14,763	17,068	(14)
EBITDA		21,439	19,143	12	39,601	39,473	-

- (b) Core Healthcare Business excludes contributions from the Group's medical laboratory, other gains, other losses and expenses incurred on the development of the Group's digital Artificial Intelligence (AI) guided clinical decision support system as well as rental rebates received from the Singapore Government.
- (c) PATMI refers to profit after tax and minority interest (aka Profit attributable to the Parent)



**1(b) Condensed Interim Statements of Financial Position**

	Note	Group		Company	
		As at		As at	
		31/12/2023	31/12/2022	31/12/2023	31/12/2022
		\$'000	\$'000	\$'000	\$'000
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Property, Plant and Equipment	8	37,611	36,929	1,282	989
Right-Of-Use Assets		46,575	52,589	1,644	1,582
Investment in Subsidiaries		-	-	61,018	61,438
Investment in Associates	9	24,587	25,191	27,913	25,912
Goodwill	10	54,183	56,582	-	-
Other Intangible Assets	11	4,696	4,604	-	-
Other Receivables		2,356	2,174	1,303	1,835
Other Assets		7,988	7,540	3,247	4,163
<b>Total Non-Current Assets</b>		<b>177,996</b>	<b>185,609</b>	<b>96,407</b>	<b>95,919</b>
<b>Current Assets</b>					
Inventories		11,812	11,091	-	-
Trade and Other Receivables		31,172	26,970	90,208	88,517
Other Assets		3,615	4,044	1,391	1,538
Cash and Cash Equivalents		33,993	39,698	5,430	5,834
<b>Total Current Assets</b>		<b>80,592</b>	<b>81,803</b>	<b>97,029</b>	<b>95,889</b>
<b>Total Assets</b>		<b>258,588</b>	<b>267,412</b>	<b>193,436</b>	<b>191,808</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity Attributable to Owners of the Parent</b>					
Share Capital	12	86,758	86,758	86,758	86,758
Treasury Shares	12	(11,535)	(11,535)	(11,535)	(11,535)
Retained Earnings		27,841	24,163	11,048	6,531
Other Reserves, Total		(3,993)	(2,896)	-	-
<b>Equity Attributable to Owners of the Parent, Total</b>		<b>99,071</b>	<b>96,490</b>	<b>86,271</b>	<b>81,754</b>
Non-Controlling Interests		3,840	5,758	-	-
<b>Total Equity</b>		<b>102,911</b>	<b>102,248</b>	<b>86,271</b>	<b>81,754</b>
<b>Non-Current Liabilities</b>					
Provisions		975	767	-	-
Deferred Tax Liabilities		2,992	1,926	-	-
Lease Liabilities Arising from Right-Of-Use Assets		39,243	45,220	1,461	1,427
Other Financial Liabilities	13	79,181	84,577	75,402	80,620
<b>Total Non-Current Liabilities</b>		<b>122,391</b>	<b>132,490</b>	<b>76,863</b>	<b>82,047</b>
<b>Current Liabilities</b>					
Income Tax Payable		2,218	2,273	84	-
Trade and Other Payables		19,221	19,381	29,730	27,560
Lease Liabilities Arising from Right-Of-Use Assets		10,742	10,547	242	201
Other Financial Liabilities	13	1,105	473	246	246
<b>Total Current Liabilities</b>		<b>33,286</b>	<b>32,674</b>	<b>30,302</b>	<b>28,007</b>
<b>Total Liabilities</b>		<b>155,677</b>	<b>165,164</b>	<b>107,165</b>	<b>110,054</b>
<b>Total Equity and Liabilities</b>		<b>258,588</b>	<b>267,412</b>	<b>193,436</b>	<b>191,808</b>



**1(c) Condensed Interim Consolidated Statement of Cash Flows**

	Group			
	Second Half		Year-To-Date	
	2H 2023	2H 2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000
<b><u>Cash Flows From Operating Activities</u></b>				
Profit Before Tax	6,844	2,212	13,664	14,277
Adjustments for:				
Interest Income	(52)	(16)	(61)	(25)
Interest Expense	2,874	2,378	5,655	3,909
Gain on Disposal of Plant and Equipment	-	(6)	-	(30)
Plant and Equipment Written Off	124	266	193	299
Share of (Profit) Loss from Equity – Accounted Associate	(120)	37	83	537
Gain on Disposal of Subsidiary	(77)	-	(77)	-
Impairment Loss for Goodwill	2,391	-	2,391	-
Impairment of Plant and Equipment – Reversal	-	(35)	(13)	(35)
Depreciation of Property, Plant and Equipment and Amortisation Expense	2,657	2,585	5,083	4,890
Depreciation of Right-Of-Use Assets	6,234	6,190	12,693	12,169
Foreign Currency Translation Reserve	(138)	(244)	(406)	(403)
<b>Operating Cash Flows Before Changes in Working Capital</b>	<b>20,737</b>	<b>13,367</b>	<b>39,205</b>	<b>35,588</b>
Inventories	(191)	4,717	(748)	4,801
Trade and Other Receivables	(3,242)	(2,747)	(4,347)	1,429
Other non-financial assets	403	(35)	699	(103)
Trade and Other Payables	1,619	3,668	34	(1,960)
Provisions	199	(9)	208	(9)
Net Cash Flows From Operating Activities Before Interest and Tax	<b>19,525</b>	<b>18,961</b>	<b>35,051</b>	<b>39,746</b>
Income Taxes Paid	(203)	(2,787)	(1,583)	(6,196)
<b>Net Cash Flows From Operating Activities</b>	<b>19,322</b>	<b>16,174</b>	<b>33,468</b>	<b>33,550</b>
<b><u>Cash Flows Used in Investing Activities</u></b>				
Purchase of Property Plant and Equipment	(2,791)	(3,409)	(5,943)	(9,310)
Purchase of Intangible Assets	(430)	(1,060)	(811)	(1,663)
Disposal of Plant and Equipment	199	58	307	206
Other non-financial assets	507	(20)	(718)	96
Trade and Other Receivables	161	(127)	48	(576)
Disposal of Subsidiary (Net of cash disposed)	74	-	74	-
Other Receivables, Non-Current	(97)	(9)	(182)	227
Interest Received	52	16	61	25
<b>Net Cash Flows Used in Investing Activities</b>	<b>(2,325)</b>	<b>(4,551)</b>	<b>(7,164)</b>	<b>(10,995)</b>
<b><u>Cash Flows Used in Financing Activities</u></b>				
Lease Liabilities – Principal Portion Paid	(6,139)	(5,859)	(12,437)	(11,467)
Lease Liabilities – Interest Paid	(827)	(979)	(1,670)	(1,855)
Finance Lease Repayment	(9)	(8)	(20)	(18)
Proceeds from Placement Shares	-	1,750	-	1,750
Repayment of Bank Loans	(4,183)	(678)	(5,364)	(900)
Proceeds from Term Loan	-	-	-	2,400
Bill Payables	253	-	620	(160)
Interest Paid	(2,047)	(1,399)	(3,985)	(2,054)
Dividends Paid to Non-Controlling Interest*	(1,960)	-	(1,960)	(5,012)
Dividends Paid to Equity Owners	(1,514)	-	(7,193)	(13,152)
<b>Net Cash Flows Used In Financing Activities</b>	<b>(16,426)</b>	<b>(7,173)</b>	<b>(32,009)</b>	<b>(30,468)</b>



**Q & M Dental Group (Singapore) Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200800507R)

	Group			
	Second Half		Year-To-Date	
	2H 2023	2H 2022	31/12/2023	31/12/2022
	\$'000	\$'000	\$'000	\$'000
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>	571	4,450	(5,705)	(7,913)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance of the Period/Year	33,422	35,248	39,698	47,611
<b>Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance of the Period/Year</b>	<b>33,993</b>	<b>39,698</b>	<b>33,993</b>	<b>39,698</b>
<b>Cash and Cash Equivalents at End of Period/Year includes the following:</b>				
Cash and Bank Balances	33,993	39,698	33,993	39,698
<b>Cash and Cash Equivalents at End of Period/Year</b>	<b>33,993</b>	<b>39,698</b>	<b>33,993</b>	<b>39,698</b>

\* Mainly the payment of accrued dividends by Acumen Diagnostics Pte. Ltd. (“Acumen Diagnostics”) to Aoxin Q&M, an associate of the Group and the 49% owner of Acumen Diagnostics of which the Group has 51% ownership.



**1(d)(i) Condensed Interim Statements of Changes in Equity**

	<u>Total Equity</u>	<u>Attributable to Parent Sub-Total</u>	<u>Share Capital</u>	<u>Retained Earnings</u>	<u>Treasury Shares</u>	<u>Other Reserves</u>	<u>Non-Controlling Interest</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Group - Current Period</b>							
Opening Balance at 1 January 2023	102,248	96,490	86,758	24,163	(11,535)	(2,896)	5,758
<b>Movements in Equity:</b>							
Total Comprehensive Income for the Period	9,904	10,437	-	11,517	-	(1,080)	(533)
Disposal of Subsidiary	(88)	(17)	-	-	-	(17)	(71)
Dividends Paid to Non-Controlling Interest	(1,960)	(646)	-	(646)	-	-	(1,314)
Dividends Paid (Note 7)	(7,193)	(7,193)	-	(7,193)	-	-	-
Closing Balance at 31 December 2023	102,911	99,071	86,758	27,841	(11,535)	(3,993)	3,840
<b>Group - Previous Period</b>							
Opening Balance at 1 January 2022	103,246	97,849	86,758	26,006	(13,950)	(965)	5,397
<b>Movements in Equity:</b>							
Total Comprehensive Income for the Period	9,851	9,378	-	11,309	-	(1,931)	473
Issue of Share Capital	2,415	2,415	-	-	2,415	-	-
Dividends Paid to Non-Controlling Interest	(112)	-	-	-	-	-	(112)
Dividends Paid (Note 7)	(13,152)	(13,152)	-	(13,152)	-	-	-
Closing Balance at 31 December 2022	102,248	96,490	86,758	24,163	(11,535)	(2,896)	5,758



**1(d)(ii) Condensed Interim Statements of Changes in Equity**

	<u>Total Equity</u>	<u>Share Capital</u>	<u>Treasury Shares</u>	<u>Other Reserve</u>	<u>Retained Earnings</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Company - Current Period</b>					
Opening Balance at 1 January 2023	81,754	86,758	(11,535)	-	6,531
<b>Movements in Equity:</b>					
Total Comprehensive Income for the Period	11,710	-	-	-	11,710
Dividends Paid (Note 7)	(7,193)	-	-	-	(7,193)
Closing Balance at 31 December 2023	86,271	86,758	(11,535)	-	11,048
<b>Company - Previous Period</b>					
Opening Balance at 1 January 2022	84,769	86,758	(13,950)	-	11,961
<b>Movements in Equity:</b>					
Total Comprehensive Income for the Period	7,722	-	-	-	7,722
Issue of Share Capital	2,415	-	2,415	-	-
Dividends Paid (Note 7)	(13,152)	-	-	-	(13,152)
Closing Balance at 31 December 2022	81,754	86,758	(11,535)	-	6,531



**1(e) Notes to the Condensed Interim Financial Statements**  
**31 December 2023**

**1. General**

The Company is incorporated in Singapore with limited liability. The financial statements are presented in Singapore dollars and they cover the Company (referred to as “parent”) and the subsidiaries. The registered office is: 2 Clementi Loop, #04-01 Logis Hub @ Clementi, Singapore 129809. The Company is situated in Singapore.

The board of directors approved and authorised these condensed financial statements for issue on the date of this announcement. The directors have the power to amend and reissue the financial statements.

The principal activities of the Company are the provision of management and consultancy services and investment holding. It is listed on the Singapore Exchange Securities Trading Limited, (“SGX-ST”).

The principal activities of the Group are disclosed in Note 2 on segment information.

The financial information contained in this announcement has neither been audited nor review by the auditors.

The latest audited annual financial statements were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

**Basis of presentation**

These condensed consolidated interim financial statements have been prepared in accordance with the Singapore Financial Reporting Standards (International) (“SFRS (I) s”) 1-34 Interim Financial Reporting issued by the Accounting Standards Committee Singapore. They are also in compliance with the International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) and the provisions of the SGX Mainboard Listing Rules.

The accounting policies and methods of computation applied in these condensed consolidated interim financial statements are consistent with those of the latest audited annual financial statements for the reporting year ended 31 December 2022. However, the typical notes and information included in the latest audited annual financial statements are not included in these interim financial statements except for the selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position of the group since the latest audited annual financial statements.

**New and amended standards adopted by the Group**

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.





**1. General (cont'd)**

**Critical judgements, assumptions and estimation uncertainties**

These estimates and assumptions are periodically monitored to ensure they incorporate all relevant information available at the date when financial statements are prepared. However, this does not prevent actual figures differing from estimates. The nature and the carrying amount of such significant assets and liabilities are disclosed with further details in the relevant Notes to these condensed consolidated interim financial statements.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

**2. Financial information by operating segments**

**2A. Information about reportable segment profit or loss, assets and liabilities**

The following summary describes the operations in each of the Group's operating segments:

- (i) Primary healthcare comprising dentistry, family medicine, aesthetic services and others.
- (ii) Medical laboratory and dental equipment and supplies comprising sale and distribution of Covid-19 test kits and provision of laboratory testing and distribution of dental supplies and equipment.



**Q & M Dental Group (Singapore) Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200800507R)

**2B(i). Profit or loss for the 6 months ended 31 December from continuing operations and reconciliations**

	<u>Primary Healthcare</u>		<u>Medical Laboratory and Dental Equipment &amp; Supplies</u>		<u>Unallocated – Investment in Associates</u>		<u>Consolidated</u>	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Revenue by segment	88,893	82,399	8,319	10,919	-	-	97,212	93,318
Inter-segment sales	-	-	(1,634)	(3,014)	-	-	(1,634)	(3,014)
<b>Total revenue</b>	<b>88,893</b>	<b>82,399</b>	<b>6,685</b>	<b>7,905</b>	<b>-</b>	<b>-</b>	<b>95,578</b>	<b>90,304</b>
Segment results	20,308	18,347	(1,819)	(4,945)	120	(37)	18,609	13,365
Finance costs							(2,874)	(2,378)
Depreciation of plant and equipment							(2,232)	(2,179)
Depreciation right-of-use assets							(6,234)	(6,190)
Amortisation of intangible assets							(425)	(406)
Profit before income tax							6,844	2,212
Income tax expense							(1,484)	(897)
<b>Profit, net of tax</b>							<b>5,360</b>	<b>1,315</b>
<b>Expenditure for non-current assets</b>								
Property, plant and equipment	(2,540)	(3,317)	(251)	(92)	-	-	(2,791)	(3,409)
<b>Other material non-cash items</b>								
Depreciation of plant and equipment	(1,894)	(1,855)	(338)	(324)	-	-	(2,232)	(2,179)
Depreciation right-of-use assets	(6,118)	(6,050)	(116)	(140)	-	-	(6,234)	(6,190)
Amortisation of intangible assets	(388)	(368)	(37)	(38)	-	-	(425)	(406)
Finance costs	(2,860)	(2,362)	(14)	(16)	-	-	(2,874)	(2,378)
Gain on disposal of subsidiary	77	-	-	-	-	-	77	-
Impairment loss for goodwill	-	-	(2,391)	-	-	-	(2,391)	-
Allowance on inventories – (loss) reversal	-	38	(339)	(4,902)	-	-	(339)	(4,864)
Allowance on receivables – (loss) reversal	-	5	-	(80)	-	-	-	(75)
Allowance on plant and equipment – reversal	-	35	-	-	-	-	-	35



**Q & M Dental Group (Singapore) Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200800507R)

**2B(ii). Profit or loss for the 12 months ended 31 December from continuing operations and reconciliations**

	<u>Primary Healthcare</u>		<u>Medical Laboratory and Dental Equipment &amp; Supplies</u>		<u>Unallocated – Investment in Associates</u>		<u>Consolidated</u>	
	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000	2023 \$'000	2022 \$'000
Revenue by segment	167,765	161,594	19,112	26,375	-	-	186,877	187,969
Inter-segment sales	-	(699)	(4,154)	(6,056)	-	-	(4,154)	(6,755)
<b>Total revenue</b>	<u>167,765</u>	<u>160,895</u>	<u>14,958</u>	<u>20,319</u>	<u>-</u>	<u>-</u>	<u>182,723</u>	<u>181,214</u>
Segment results	37,600	37,464	(422)	(1,682)	(83)	(537)	37,095	35,245
Finance costs							(5,655)	(3,909)
Depreciation of plant and equipment							(4,364)	(4,251)
Depreciation right-of-use assets							(12,693)	(12,169)
Amortisation of intangible assets							(719)	(639)
Profit before income tax							13,664	14,277
Income tax expense							(2,591)	(2,421)
<b>Profit, net of tax</b>							<u>11,073</u>	<u>11,856</u>
<b>Expenditure for non-current assets</b>								
Property, plant and equipment	<u>(5,551)</u>	<u>(9,140)</u>	<u>(392)</u>	<u>(168)</u>	<u>-</u>	<u>-</u>	<u>(5,943)</u>	<u>(9,310)</u>
<b>Other material non-cash items</b>								
Depreciation of plant and equipment	(3,763)	(3,568)	(601)	(683)	-	-	(4,364)	(4,251)
Depreciation right-of-use assets	(12,438)	(11,890)	(255)	(279)	-	-	(12,693)	(12,169)
Amortisation of intangible assets	(642)	(559)	(77)	(80)	-	-	(719)	(639)
Finance costs	(5,626)	(3,875)	(29)	(34)	-	-	(5,655)	(3,909)
Gain on deem disposal of associate	77	-	-	-	-	-	77	-
Impairment loss for goodwill	-	-	(2,391)	-	-	-	(2,391)	-
Allowance on inventories – (loss) reversal	-	38	(339)	(4,917)	-	-	(339)	(4,879)
Allowance on receivables – (loss) reversal	-	5	-	(91)	-	-	-	(86)
Allowance on plant and equipment – reversal	13	35	-	-	-	-	13	35



**2C. Assets and reconciliation**

	As at	
	31 Dec <u>2023</u> \$'000	31 Dec <u>2022</u> \$'000
<u>Segment assets</u>		
Primary healthcare	212,301	215,397
Medical laboratory and dental equipment and supplies	21,700	26,824
Unallocated – investment in associates	24,587	25,191
Total	<u>258,588</u>	<u>267,412</u>

**2D. Liabilities and reconciliation**

	As at	
	31 Dec <u>2023</u> \$'000	31 Dec <u>2022</u> \$'000
<u>Segment liabilities</u>		
Primary healthcare	151,023	160,311
Medical laboratory and dental equipment and supplies	4,654	4,853
Total	<u>155,677</u>	<u>165,164</u>

**2E. Geographical information**

The Group operations are primarily in Singapore, Malaysia and China.

	6 months ended 31 Dec		12 months ended 31 Dec	
	<u>2023</u> \$'000	<u>2022</u> \$'000	<u>2023</u> \$'000	<u>2022</u> \$'000
<u>Revenue</u>				
Singapore	89,743	82,843	171,438	167,288
Malaysia	5,835	7,001	11,116	13,139
China	-	460	169	787
Total	<u>95,578</u>	<u>90,304</u>	<u>182,723</u>	<u>181,214</u>

	As at	
	31 Dec <u>2023</u> \$'000	31 Dec <u>2022</u> \$'000
<u>Non-current assets</u>		
Singapore	147,914	155,108
Malaysia	5,487	5,138
China	24,595	25,363
Total	<u>177,996</u>	<u>185,609</u>

Revenues are attributed to countries on the basis of the customer's location, irrespective of the origin of the goods and services. The non-current assets are analysed by the geographical area in which the assets are located.



### 3. Revenue

	6 months ended 31 Dec		12 months ended 31 Dec	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$'000	\$'000	\$'000	\$'000
Dental, medical and medical laboratory testing services	90,265	82,374	171,016	165,764
Sales of goods	3,879	5,975	8,277	11,172
Profit guarantee income	893	1,343	2,388	3,216
Rental income	255	255	503	472
Other income	286	357	539	590
Total revenue	<u>95,578</u>	<u>90,304</u>	<u>182,723</u>	<u>181,214</u>

### 4. Other gains and (other losses)

	6 months ended 31 Dec		12 months ended 31 Dec	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$'000	\$'000	\$'000	\$'000
Gain on disposal of plant and equipment	-	6	-	30
Plant and equipment written off	(124)	(266)	(193)	(299)
Foreign exchange translation (loss) gain	(67)	1	(87)	(11)
Gain on deem disposal of subsidiary	77	-	77	-
Impairment loss for goodwill (Note 10)	(2,391)	-	(2,391)	-
Impairment allowance on receivables – loss	-	(75)	-	(86)
Impairment allowance on plant and equipment – reversal	-	35	13	35
Impairment allowance on inventories – loss	(339)	(4,864)	(339)	(4,879)
Net	<u>(2,844)</u>	<u>(5,163)</u>	<u>(2,920)</u>	<u>(5,210)</u>

### 5. Finance costs

	6 months ended 31 Dec		12 months ended 31 Dec	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$'000	\$'000	\$'000	\$'000
Interest on borrowings	2,047	1,399	3,985	2,054
Interest on lease liabilities	827	979	1,670	1,855
Net	<u>2,874</u>	<u>2,378</u>	<u>5,655</u>	<u>3,909</u>



## 6. Income tax expense

### Components of tax expense recognised in profit or loss include:

	6 months ended 31 Dec		12 months ended 31 Dec	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	\$'000	\$'000	\$'000	\$'000
<u>Current tax expense:</u>				
Current tax expense	929	1,423	1,932	2,823
(Over) under adjustments in respect of prior periods	<u>(556)</u>	<u>(65)</u>	<u>(402)</u>	<u>65</u>
Subtotal	<u>373</u>	<u>1,358</u>	<u>1,530</u>	<u>2,888</u>
<u>Deferred tax expense (income):</u>				
Deferred tax expense (income)	340	(106)	321	(127)
Under (over) adjustments in respect of prior periods	<u>771</u>	<u>(355)</u>	<u>740</u>	<u>(340)</u>
Subtotal	<u>1,111</u>	<u>(461)</u>	<u>1,061</u>	<u>(467)</u>
Total income tax expense	<u>1,484</u>	<u>897</u>	<u>2,591</u>	<u>2,421</u>

## 7. Dividends on equity shares

	Group	
	31 Dec	31 Dec
	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Fourth interim tax exempt dividend paid of \$0.01 with respect of FY2021	-	9,394
First interim tax exempt dividend paid of \$0.004 with respect of 1Q2022	-	3,758
Second interim tax exempt dividend paid of \$0.006 with respect of FY2022	5,679	-
First interim tax exempt dividend paid of \$0.0016 with respect of 1H2023	<u>1,514</u>	<u>-</u>
	<u>7,193</u>	<u>13,152</u>

## 8. Property, plant and equipment

During the 12 months ended 31 December 2023, the Group acquired assets amounting to \$5,943,000 (31 December 2022: \$9,310,000) and disposed of assets amounting to \$307,000 (31 December 2022: \$206,000).



## 9. Investment in associates

	Group As at	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Movements in carrying value:		
Balance at beginning of the year	25,191	27,044
Foreign currency translation adjustment	(521)	(1,316)
Share of loss for the year	(83)	(537)
	24,587	25,191

On 8 March 2022, Aoxin Q&M issued 2,441,000 new ordinary shares of no par value at an issue price of \$0.20 per share to one of the principal dentists. Following the issuance of these new shares, the Group's interest in Aoxin Q&M was diluted from 32.95% to 32.79%.

## 10. Goodwill

Goodwill that has an indefinite useful life is tested for impairment annually, or more frequently if events or changes in circumstances indicated that it might be impaired.

The carrying amount of the Group's goodwill for Acumen Diagnostics Pte. Ltd. and its subsidiary, Acumen Research Laboratories Pte. Ltd., has been reduced to its recoverable amount through a recognition of impairment loss of \$2,391,000 against the goodwill.

Since the beginning of the reporting year, there were no changes in the circumstances and key assumptions.

## 11. Other intangible assets

	Development costs \$'000	Customer lists \$'000	Total \$'000
As at 31 December 2022:			
Cost	3,552	3,321	6,873
Accumulated amortisation and impairment	(235)	(2,034)	(2,269)
Carrying amounts	3,317	1,287	4,604
Cost			
As at 1 January 2023	3,552	3,321	6,873
Additions	811	-	811
As at 31 December 2022	4,363	3,321	7,684
Accumulated amortisation and impairment			
As at 1 January 2023	235	2,034	2,269
Amortisation	335	384	719
As at 31 December 2023	570	2,418	2,988
Carrying amounts at 31 December 2023	3,793	903	4,696



## 12. Share capital

	Number of shares <u>issued</u> '000	Share <u>capital</u> \$'000
Ordinary shares of no par value:		
Balance at 31 December 2022 and 31 December 2023	<u>965,865</u>	<u>86,758</u>

The ordinary shares of no par value are fully paid, carry one vote each and have no right to fixed income.

	Number of treasury shares <u>shares</u> '000	<u>Cost</u> \$'000
Balance at 1 January 2022	26,422	13,950
Issue share at \$0.351 cents each <sup>(a)</sup>	(4,986)	(1,750)
Issue share at \$0.33 cents each <sup>(b)</sup>	(2,014)	(665)
Balance at 31 December 2022 and 31 December 2023	<u>19,422</u>	<u>11,535</u>

<sup>(a)</sup> On 20 October 2022, the Company transferred 4,985,755 ordinary shares from its treasury shares to 7 key dentists of the Group for an aggregate gross cash consideration of \$1,750,000.

<sup>(b)</sup> On 20 October 2022, the Company transferred 2,014,245 ordinary shares from its treasury shares to 7 key dentists of the Group pursuant to the Q & M Performance Share Plan 2018.

The Company has 19,422,407 treasury shares as at 31 December 2023 (31 December 2022: 19,422,407) and there is no subsidiary holdings as at 31 December 2022 (31 December 2021: Nil).

	As at	
	31 Dec <u>2023</u> '000	31 Dec <u>2022</u> '000
Total number of issued shares excluding treasury shares	<u>946,443</u>	<u>946,443</u>

There were no sales, transfer, disposals, cancellation and/or use of treasury shares as at end of current financial years reported on.





**13. Other financial liabilities**

	Group As at		Company As at	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000
<u>Non-current:</u>				
Bank loans	79,142	84,515	75,402	80,620
Finance leases	39	62	-	-
Non-current, total	<u>79,181</u>	<u>84,577</u>	<u>75,402</u>	<u>80,620</u>
<u>Current:</u>				
Bank loans	462	453	246	246
Finance leases	23	20	-	-
Bills payable	620	-	-	-
Current, total	<u>1,105</u>	<u>473</u>	<u>246</u>	<u>246</u>
Total	<u>80,286</u>	<u>85,050</u>	<u>75,648</u>	<u>80,866</u>

**13A. Bank loans**

	Group As at		Company As at	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Amount repayable within one year	462	453	246	246
Amount repayable after one year	<u>79,142</u>	<u>84,515</u>	<u>75,402</u>	<u>80,620</u>

Bank loans amounting to \$9.1 million (31 December 2022: \$9.5 million) are secured by legal mortgage of the Group's properties and covered by corporate guarantee from the Company.

**13B. Finance leases**

	Group As at	
	31 Dec 2023 \$'000	31 Dec 2022 \$'000
Amount repayable within one year	23	20
Amount repayable after one year	<u>39</u>	<u>62</u>

The finance leases are secured on the plant and equipment under finance leases.



**13. Other financial liabilities (cont'd)**

**13C. Bills payable**

	Group As at	
	31 Dec <u>2023</u> \$'000	31 Dec <u>2022</u> \$'000
Amount repayable within one year	<u>620</u>	<u>-</u>

The bills payable of the Group are secured or covered by the following:

- (i) Facilities Agreement;
- (ii) Corporate guarantee by the Company;
- (iii) Jointly and severally guarantees by certain directors of the subsidiary;
- (iv) Negative pledge;
- (v) Fixed deposit; and
- (vi) Trade Financing General Agreement from the subsidiary.

The bills payables of the Group have maturity period of 90 days (31 December 2022: Nil days).

**14. Categories of financial assets and liabilities**

The following table categories the carrying amount of financial assets and liabilities recorded at the end of the reporting period:

	Group As at		Company As at	
	31 Dec <u>2023</u> \$'000	31 Dec <u>2022</u> \$'000	31 Dec <u>2023</u> \$'000	31 Dec <u>2022</u> \$'000
<b><u>Financial assets:</u></b>				
Financial assets at amortised cost	<u>67,521</u>	<u>68,842</u>	<u>96,941</u>	<u>96,186</u>
At end of the period	<u>67,521</u>	<u>68,842</u>	<u>96,941</u>	<u>96,186</u>
<b><u>Financial liabilities</u></b>				
Financial liabilities at amortised cost	<u>149,492</u>	<u>160,198</u>	<u>107,081</u>	<u>110,054</u>
At end of period	<u>149,492</u>	<u>160,198</u>	<u>107,081</u>	<u>110,054</u>



**15. Net asset value**

	Group As at		Company As at	
	31 Dec <u>2023</u>	31 Dec <u>2022</u>	31 Dec <u>2023</u>	31 Dec <u>2022</u>
Net assets value per ordinary share (cents)	<u>10.5</u>	<u>10.2</u>	<u>9.1</u>	<u>8.6</u>

The net asset value per ordinary share of the Group and the Company as at 31 December 2023 has been calculated based on the total issued number of ordinary shares excluding treasury shares of 946,442,940 (2022: 946,442,940).

**16. Events after the end of the reporting period**

There are no known subsequent events which have led to adjustments to this set of condensed interim financial statements.



## **Other Information Required by Listing Rule 7.2**

- 1. Whether the figures have been audited or reviewed and in accordance with auditing standards or practice.**

The condensed interim consolidated financial statement and notes for the second half ended 31 December 2023 have not been reviewed / audited by the Company's auditor.

- 2. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business. It must include a discussion of the following:**
  - a) any significant factors that affected the turnover, costs, and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
  - b) any material factors that affected the cash flow, working capital, assets or liabilities of the Group during the current financial period reported on.**

### **Statement of Comprehensive Income**

#### **Revenue**

As at 31 December 2023, the Group has 105 dental outlets, 5 medical outlets and 1 dental college in operations in Singapore, compared to 107 dental outlets, 5 medical outlets and 1 dental college as at 31 December 2022.

As at 31 December 2023, the Group has 44 dental outlets in Malaysia compared to 44 dental outlets in Malaysia and 1 dental outlet in PRC as at 31 December 2022.

As at 31 December 2023 and 31 December 2022, the Group has 1 dental equipment & supplies distribution company and a medical laboratory company in Singapore and 1 dental equipment & supplies distribution company in Malaysia.

The revenue contribution from dental and medical clinics increased by 8% from \$82.4 million for the six months ended 31 December 2022 ("2H22") to \$88.9 million for the six months ended 31 December 2023 ("2H23"). The increase of \$6.5 million was mainly due to higher revenue contribution from Singapore dental clinics, offset by lower revenue contribution from our medical clinics, disposal of the Shanghai Chuangyi in June 2023 as well as unfavourable impact of strong Singapore Dollars against Ringgit from the Group's operation in Malaysia.

The revenue contribution from medical laboratory and dental equipment & supplies decreased by 15% from \$7.9 million in 2H22 to \$6.7 million in 2H23. The decrease of \$1.2 million was mainly due to lower revenue contribution from the dental equipment & supplies companies in Singapore and Malaysia offset by higher revenue contribution from the Group's medical laboratory business.



The revenue contribution from dental and medical clinics increased by 4% from \$160.9 million for the 12 months ended 31 December 2022 (“FY22”) to \$167.8 million for the 12 months ended 31 December 2022 (“FY23”).

Comparing FY23 with FY22, the revenue contribution from medical laboratory and dental equipment & supplies decreased by 26% or \$5.4 million.

#### **Other (Losses) Gains – Net**

Other losses decreased from \$5.2 million in 2H22 to \$2.8 million in 2H23 mainly due to the absence of allowance for impairment on inventories in 2H23 offset by impairment of goodwill in 2H23.

Comparing FY23 with FY22, other gains decreased by \$2.3 million due to the same reasons as given above.

#### **Other Items of Expense**

##### Consumables and Supplies Used in Dental & Medical Clinics

Consumables and supplies used increased by 9% from \$7.2 million in 2H22 to \$7.8 million in 2H23. The increase was mainly due to the increase in revenue in dental clinics in Singapore.

As a percentage of revenue from the dental and medical outlets, consumables and supplies used in the dental and medical outlets in 2H23 was 8.8% compared to 8.7% in 2H22.

Comparing FY23 with FY22, consumables and supplies used in dental and medical clinics increased by 4% or \$0.6 million.

As a percentage of revenue from the dental and medical outlets, consumables and supplies used in the dental and medical outlets in FY23 and FY22 was the same at 8.6%.

##### Cost of Sales from Medical Laboratory and Dental Equipment & Supplies

The cost of sales from medical laboratory and dental equipment & supplies decreased by 44% from \$5.3 million in 2H22 to \$2.9 million in 2H23. The decrease was due to the decrease in revenue of the dental equipment & supplies businesses in Singapore and Malaysia.

As a percentage of revenue from medical laboratory and dental equipment & supplies, cost of sales used in medical laboratory and dental equipment & supplies in 2H23 was 44.0% compared to 66.7% in 2H22.

Comparing FY23 with FY22, cost of sales from medical laboratory and dental equipment & supplies decreased by 39% or \$4.4 million due to the decrease in revenue of the dental equipment & supplies businesses in Singapore and Malaysia as well as decrease in revenue contribution from the Group’s medical laboratory business.



As a percentage of revenue from medical laboratory and dental equipment & supplies, cost of sales used in medical laboratory and dental equipment & supplies in FY23 was 46.2% compared to 55.9% in FY22.

#### Employee Benefits Expense

Employee benefits expense, which include professional fees paid to dentists, increased by 7% from \$53.3 million in 2H22 to \$56.9 million in 2H23. The increase of \$3.6 million was mainly due to increase in revenue from the dental clinics in Singapore in 2H23.

As a percentage of revenue, employee benefits expense in 2H23 was 59.5% compared to 59.0% in 2H22.

Comparing FY23 with FY22, employee benefits expense increased 5% or \$5.2 million due to the same reason given above.

As a percentage of revenue, employee benefits expense in FY23 was 59.6% compared to 57.2% in FY22.

#### Depreciation and Amortisation Expense

Depreciation and amortisation expense increased by 3% from \$2.6 million in 2H22 to \$2.7 million in 2H23. The increase of \$0.1 million was mainly due to higher depreciation and amortisation expense from dental clinics in Singapore as well as higher amortisation expense on the development cost incurred on the development of the Group's digital Artificial Intelligence (AI) guided clinical decision support system in 2H23.

As a percentage of revenue, depreciation and amortisation expense in 2H23 was 2.8% compared to 2.9% in 2H22.

Comparing FY23 with FY22, depreciation and amortisation expense increased by 4% or \$0.2 million due to the reason given above.

As a percentage of revenue, depreciation and amortisation expense in FY23 was 2.8% compared to 2.7% in FY22.

#### Depreciation of Right-Of-Use ("ROU") Assets

Depreciation of ROU assets remains the same at \$6.2 million for 2H23 and 2H22.

As a percentage of revenue, depreciation of ROU assets in 2H23 was 6.5% compared to 6.9% in 2H22.

Comparing FY23 with FY22, depreciation of ROU assets increased by 4% or \$0.5 million mainly due to increase in depreciation of ROU assets in Singapore and Malaysia.



As a percentage of revenue, depreciation of ROU assets in FY23 was 6.9% compared to 6.7% in FY22.

#### Other Expenses

Other expenses increased by 10% from \$6.1 million in 2H22 to \$6.7 million in 2H23. The increase of \$0.6 million was mainly due to the increase in repair and maintenance expense for Singapore dental clinics, bursaries to some of the Group's dentists to improve their skill set, marketing expenses as well as general expenses for the Group's Singapore operation.

As a percentage of revenue, other expenses in 2H23 was 7.0% compared to 6.7% in 2H22.

Comparing FY23 with FY22, other expenses increased by 9% or \$1.0 million, mainly due to the reasons given above.

As a percentage of revenue, other expenses in FY23 was 6.8% compared to 6.3% in FY22.

#### Finance Costs

Finance costs increased by 21% from \$2.4 million in 2H22 to \$2.9 million in 2H23. The increase of \$0.5 million was due to higher interest expense in 2H23 as a result of higher interest rate.

As a percentage of revenue, finance costs in 2H23 was 3.0% compared to 2.6% in 2H22.

Comparing FY23 with FY22, finance costs increased by 45% or \$1.7 million for the same reason above.

As a percentage of revenue, finance costs in FY23 was 3.1% compared to 2.2% in FY22.

#### Share of Loss from Equity-Accounted Associate

Aoxin Q & M manage to turn from a loss in 2H22 to profit in 2H23, resulting in the Group to record a share of profit from equity-accounted associate of \$0.1 million in 2H23.

Comparing FY23 with FY22, share of loss decreased by 85% or \$0.5 million for the same reason give above.

#### **Profit Before Tax and Net Profit After Tax**

The Group's profit before tax increased from \$2.2 million in 2H22 to \$6.8 million in 2H23. After deducting provision for income tax expense of \$1.5 million, the Group's net profit increased from \$1.3 million in 2H22 to \$5.4 million in 2H23.

Profit after tax attributable to owners of the parent increased from \$1.5 million in 2H22 to \$6.2 million in 2H23.



The Group's net profit after tax decreased from \$11.9 million in FY22 to \$11.1 million in FY23.

Profit after tax attributable to owners of the parent increased from \$11.3 million in FY22 to \$11.5 million in FY23.

### **Statement of Financial Position**

As at 31 December 2023, the Group has cash and cash equivalents of \$34.0 million while bank borrowings plus finance leases amounted to \$80.3 million. As at 31 December 2022, the Group has cash and cash equivalents of \$39.7 million while bank borrowings plus finance leases amounted to \$85.1 million.

### **Current Assets**

Cash and cash equivalents as at 31 December 2023 decreased to \$34.0 million from \$39.7 million as at 31 December 2022. The decrease of \$5.7 million was mainly due to dividend payment of \$9.2 million, dental equipment and renovations for existing clinics, loan repayment, sign on bonuses for dentists, lease liabilities payment, offset by net cash generated from operations of \$33.5 million.

Trade and other receivables as at 31 December 2023 increased to \$31.2 million from \$27.0 million as at 31 December 2022. The increase of \$4.2 million was mainly due to increase in trade receivables from Singapore dental clinics and profit guarantee receivables from vendors of Aoxin Q & M Dental Group Limited, an equity-accounted associate of the Company.

Other assets as at 31 December 2023 decreased to \$3.6 million from \$4.0 million as at 31 December 2022. The decrease of \$0.4 million was mainly due to decrease in prepayment from the Group's medical laboratory.

Inventory as at 31 December 2023 increased to \$11.8 million from \$11.1 million as at 31 December 2022. The increase of \$0.7 million was mainly due to increase in inventory from the dental equipment & supplies company in Malaysia offset by decrease in inventory from the dental equipment & supplies company in Singapore.

### **Non-Current Assets**

The net book value of property, plant and equipment as at 31 December 2023 increased to \$37.6 million from \$36.9 million as at 31 December 2022. The increase of \$0.7 million was mainly due to expansion of existing clinics to install more dental chairs offset by depreciation of plant and equipment.

The net book value of ROU assets as at 31 December 2023 decreased to \$46.6 million from \$52.6 million as at 31 December 2022. The decrease of \$6.0 million was mainly due to depreciation of the ROU assets offset by renewal of ROU assets.

Investment in associates as at 31 December 2023 decreased to \$24.6 million from \$25.2 million as at 31 December 2022. The decrease of \$0.6 million was mainly due to translation loss due to a weaker exchange rate for RMB against SGD.

Other receivables as at 31 December 2023 increased to \$2.4 million from \$2.2 million as at 31 December 2022. The increase of \$0.2 million was due to increase in loan to dentists of the Company offset by the repayment of loan by the dentists of the Company.





Other assets as at 31 December 2023 increased to \$8.0 million from \$7.5 million as at 31 December 2022. The increase of \$0.5 million was mainly due to an increase in sign on bonus for dentists offset by amortisation of sign on bonuses for dentists.

### **Current Liabilities**

Trade and other payables as at 31 December 2023 increased to \$19.2 million from \$19.4 million as at 31 December 2022. The increase of \$0.2 million was mainly due to increase in GST payable to IRAS offset by lower accrued expenses in FY23.

Other financial liabilities as at 31 December 2023 increased to \$1.1 million from \$0.5 million as at 31 December 2022. The increase of \$0.6 million was due to increase in bills payable from the dental equipment & supplies distribution company in Malaysia.

### **Non-Current Liabilities**

Provisions as at 31 December 2023 increased to \$1.0 million from \$0.8 million as at 31 December 2022. The increase of \$0.2 million was due to increase of provision for reinstatement cost for clinics in Singapore.

Lease liabilities from ROU assets as at 31 December 2023 decreased to \$39.2 million from \$45.2 million as at 31 December 2022. The decrease of \$6.0 million was due to repayment of operating lease offset by renewal of operating leases,

Other financial liabilities as at 31 December 2023 decreased to \$79.2 million from \$84.6 million as at 31 December 2022. The decrease of \$5.4 million was due to repayment of bank loan.

### **Statement of Cash Flows**

The Group generated net cash flow from operating activities of \$19.3 million in 2H23. This was mainly derived from the operating cash flows before changes in working capital of \$20.7 million offset by a marginal increase of working capital.

Net cash used in investing activities in 2H23 amounted to \$2.3 million, mainly due to purchase of plant and equipment for the existing dental clinics and cost of developing the Artificial Intelligence (AI) guided clinical decision support system.

Net cash used in financing activities in 2H23 was \$16.4 million, mainly due to repayment of lease liabilities arising from right-of use assets, repayment of bank loans, dividend payment to shareholders.

Consequent to the above factors, the Group's cash and cash equivalents was \$34.0 million as at 31 December 2023.

### **3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast had been issued for the current financial reporting period. The financial results are in line with the expectations as disclosed in previous half yearly announcement.



4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next reporting period and the next 12 months.

#### Industry Prospects

Barring any unforeseen circumstances, 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.

#### Recent Developments

- Proposed Investment by EM2AI Professionals Holdco Pte. Ltd. Into EM2AI Pte. Ltd. As an Interested Person Transaction

On 25 January 2024, the Company informed the shareholders of the Company that the Company has entered into a joint venture agreement with EM2AI Professional Holdco Pte. Ltd. (“Investor”) and its wholly owned subsidiary, EM2AI Pte Ltd., pursuant to which the Investor has agreed to invest an aggregate of \$1.6 million fresh funds into EM2AI for an effective shareholding interest of 51% in EM2AI. In addition, the Investor has also agreed to provide an interest free loan of \$3.7 million to EM2AI.

- Update on the Use of Proceeds from Placement of Treasury Shares

The Board of Directors of the Company wishes to provide an update on the use of the proceeds of approximately \$1.7 million raised from the placement of treasury shares in the capital of the Company on 20 October 2022.

As at 31 December 2023, the Company has fully utilised the proceeds raised from the placement for the following purposes:

	Allocation of Net Cash Proceeds \$'000	Amount Utilised as at the 30 June 2023 \$'000
Business expansion	680	680
Operating expenses		
- Purchase of dental equipment in Malaysia	510	510
Loan repayment	510	510
	<u>1,700</u>	<u>1,700</u>



## Future Plans

The Group intends to continue executing the business plans outlined below.

- Expansion of network of dental clinics in Singapore and Malaysia

The Group is initiating a strategy of intensive organic growth of dental clinics and will expand its team of dentists to support the future growth of its operations in Singapore and Malaysia. We will continue to develop, invest and optimise our digital clinical decision support system to provide the most effective and suitable treatment plans for patients.

With rising standards of living and higher expectations of dental healthcare, especially in Singapore, the Group believes its well-positioned to meet the rising demand for primary and high-valued specialist dental healthcare services for its patients.

- Expansion in Southeast Asia

The Group is continuously looking for opportunities to expand its dental business to other viable Southeast Asian countries.

- Medical Laboratory

The Group's medical laboratory will continue progressively to roll out its pipeline of new PCR tests for various medical purposes. These include the tests for sepsis, identification of bacteria pathogens and their associated antimicrobial resistance in hospitalised pneumonia.

## 5. Dividend

### (a) Current Financial Period Reported On

**Any dividend declared for the current financial period reported on? Yes**

Name of Dividend	First Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.16 Cents per Ordinary Share
Tax Rate	One Tier Tax Exempt

Name of Dividend	Second Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.53 Cents per Ordinary Share
Tax Rate	One Tier Tax Exempt



**(b) Corresponding Period of the immediately Preceding Financial Year**

**Any dividend declared for the corresponding period of the immediately preceding financial year? Yes**

Name of Dividend	First Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.4 Cents per Ordinary Share
Tax Rate	One Tier Tax Exempt

Name of Dividend	Second Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	0.6 Cents per Ordinary Share
Tax Rate	One Tier Tax Exempt

**(c) The date the dividend is payable.**

Second Interim Dividend

The dividend will be paid on 26 March 2024.

**(d) Book closure date**

Second Interim Dividend

Notice is hereby given that Share Transfer Books and Register of Members of the Company will be closed on 12 March 2024 on which day no share transfer will be effected.

Duly completed and stamped transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), 9 Raffles Place, #26-01 Republic Plaza, Singapore 048619, up to 5.00 p.m. on 11 March 2024 will be registered to determine members' entitlements to the interim dividend. Members (being depositors) whose securities account with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 11 March 2024 will be entitled to the payment of the interim dividend.

**6. If no dividend has been declared (recommended), a statement to the effect.**

Not applicable

**Part II – ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT  
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)**

**7. Segment revenue and results for business or geographical segments (of the Group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.  
Business segments**

Please refer to Note 2 of Notes to the Condensed Interim Financial Statements.



**8. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

**Performance by business segment**

The increase in primary healthcare segment revenue and results in FY23 as compared to FY22 were mainly due to higher revenue from dental outlets in Singapore offset by lower contribution from medical clinics in Singapore and dental clinics in Malaysia.

The decrease in medical laboratory and dental equipment and supplies distribution segment revenue in FY23 as compared to FY22 was mainly due to lower revenue contribution from the dental equipment & supplies distribution companies in Singapore and Malaysia. The increase in medical laboratory and dental equipment & supplies distribution segment result in FY23 as compared to FY22 was mainly due to the impairment of inventory in FY22.

**Performance by geographical segment**

The increase in the contribution to the Group's revenue from Singapore operations in FY23 as compared to FY22 was mainly due to higher contribution from the dental clinics in Singapore offset by lower contribution from the dental equipment & supplies business in Singapore.

The decrease in the contribution to the Group's revenue from Malaysia operations in FY23 as compared to FY22 was mainly due to lower contribution from the dental equipment and supplies distribution company as well as the dental clinics in Malaysia.

The decrease in the contribution to the Group's revenue from PRC operations in FY23 as compared to FY22 was due to the disposal of the dental clinic in Shanghai, PRC, in June 2023.

**9. A breakdown of sales**

		<b>Group</b>		
		<b>2023</b>	<b>2022</b>	<b>Change</b>
		<b>\$'000</b>	<b>\$'000</b>	<b>%</b>
9(a)	Revenue reported for first half	87,145	90,910	(4)
9(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	5,713	10,541	(46)
9(c)	Revenue reported for second half	95,578	90,304	6
9(d)	Operating profit after tax before deducting non-controlling interests reported for second half year.	5,360	1,315	308



**10. A breakdown of the total annual dividend (in dollars value) for the issuer's latest full year and its previous full year.**

	<b>Latest Full Year \$'000</b>	<b>Previous Full Year \$'000</b>
Ordinary*	6,530	9,437
Preference	-	-
Total	6,530	9,437

\*Total annual dividend for FY22 comprises recommended second interim dividend of \$5.68 million (from FY22), and \$3.76 million first interim dividend paid in respect of FY22Q1 profit.

\* Total annual dividend for FY23 comprises recommended second interim dividend of \$5.02 million (from FY23), and \$1.51 million first interim dividend paid in respect of FY23 1H profit.

**11. If the Group has obtained a general mandate from shareholders for Interested Parties Transactions (IPTs), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to the effect.**

The Group did not obtain a general mandate from shareholders for IPTs.

**12. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.**

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Foo Siew Jiuan	55	Wife of Dr Ng Chin Siau, Group Chief Executive Officer of Q & M Dental Group (Singapore) Limited ("QDGS").	General Manager (1999)	None
Ng Sook Hwa	52	Sister-in-law of Ng Sook Hwa, Group Financial Controller of QDGS.	Chief Financial Officer (May 2022)	None

**13. Confirmation pursuant to Rule 720 (1) of the Listing Manual**

The Company hereby confirms that it has procured undertakings from all its directors and executive officers under Rule 720 (1) of the Listing Manual.



**Q & M Dental Group (Singapore) Limited**  
(Incorporated in the Republic of Singapore)  
(Company Registration No: 200800507R)

**14. Confirmation by the Board pursuant to Rule 705 (5) of the Listing Manual**

On behalf of the Board of Directors of the Company, we, the undersigned directors, do hereby confirm that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company that may render the condensed interim financial statements to be false or misleading in any material aspect.

**On behalf of the Board of Directors**

**Dr Ng Chin Siau**  
Group CEO & Executive Director

**Dr Ang Ee Peng Raymond**  
COO & Executive Director

**29 February 2024**