



Aoxin Q & M Dental Group Limited

Condensed Interim Financial Statements For the Six Months Ended 30 June 2025

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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Content	Page
Condensed interim consolidated statement of profit or loss and other comprehensive income	1
Condensed interim statements of financial position	3
Condensed interim statements of changes in equity	4
Condensed interim consolidated statement of cash flows	6
Notes to the condensed interim consolidated financial statements	7
Other information required by Catalist Rule Appendix 7C	17

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income

	<u>Notes</u>	6 months ended 30 June <u>2025</u> RMB'000	<u>2024</u> RMB'000 (Restated) ^a	<u>Change</u> %
Revenue				
Primary healthcare		54,900	54,556	0.6
Distribution of dental equipment and supplies		19,899	17,668	12.6
Laboratory services		12,020	10,795	11.3
Total revenue	4	<u>86,819</u>	<u>83,019</u>	4.6
Interest income		125	51	NM
Other income and gains	5	2,226	1,271	75.1
Expenses:				
Consumables and dental supplies		(7,893)	(8,380)	(5.8)
Cost of sales in dental equipment and supplies		(17,406)	(14,767)	17.9
Cost of laboratory services		(2,335)	(2,644)	(11.7)
Employee benefits expenses		(38,108)	(39,349)	(3.2)
Depreciation and amortisation expenses		(4,166)	(4,397)	(5.3)
Depreciation of right-of-use assets		(3,203)	(3,260)	(1.7)
Rental expenses		(698)	(473)	47.6
Finance costs	6	(513)	(762)	(32.7)
Impairment loss on trade receivables		(50)	(26)	92.3
Other expenses		(8,644)	(7,966)	8.5
Other losses	5	(3,345)	(27)	NM
Share of results of associate		228	2,677	(91.5)
Profit before income tax		<u>3,037</u>	<u>4,967</u>	(38.9)
Income tax expense	7	<u>(301)</u>	<u>(58)</u>	NM
Profit, net of tax		<u>2,736</u>	<u>4,909</u>	(44.3)
Other comprehensive income				
<i>Item that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translation to presentation currency		<u>2,366</u>	<u>34</u>	NM
Total comprehensive income		<u>5,102</u>	<u>4,943</u>	3.2
Profit, net of tax attributable to:				
Owners of the Company		2,736	4,909	(44.3)
Non-controlling interest		<u>—*</u>	<u>—*</u>	NM
		<u>2,736</u>	<u>4,909</u>	(44.3)
Total comprehensive income attributable to:				
Owners of the Company		5,102	4,943	3.2
Non-controlling interests		<u>—*</u>	<u>—*</u>	NM
		<u>5,102</u>	<u>4,943</u>	3.2

a. Refer to Note 19 for further information.

Condensed Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income (cont'd)

		6 months ended 30 June		
	<u>Notes</u>	<u>2025</u>	<u>2024</u>	<u>Change</u>
		RMB Cents	RMB Cents	%
			(Restated) ^a	
Earnings per share				
– Basic	8	0.53	0.96	(44.8)
– Diluted	8	0.53	0.96	(44.8)

NM: Not meaningful.

* Representing amount less than RMB1,000.

	RMB'000	RMB'000	%
		(Restated) ^a	
Profit/(loss), net of tax excluding share of results of associate			
Owners of the Company	2,508	2,232	12.4
Non-controlling interest	—*	—*	NM
	<u>2,508</u>	<u>2,232</u>	12.4

a. Refer to Note 19 for further information.

Condensed Interim Statements of Financial Position

		<u>Group</u>		<u>Company</u>	
	Notes	30 Jun <u>2025</u> RMB'000	31 Dec <u>2024</u> RMB'000 (Restated) ^a	30 Jun <u>2025</u> RMB'000	31 Dec <u>2024</u> RMB'000
ASSETS					
<u>Non-current assets</u>					
Property, plant and equipment	9	25,663	28,427	10	12
Right-of-use assets		19,620	23,446	384	489
Goodwill	10	125,219	125,219	–	–
Intangible assets		1,720	2,090	73	93
Investments in subsidiaries		–	–	326,752	310,958
Investment in an associate	11	7,292	6,716	7,058	6,716
Deferred tax assets	7	978	978	–	–
Other receivables		–	–	6,753	6,426
Other non-financial assets		15	49	–	15
Total non-current assets		<u>180,507</u>	<u>186,925</u>	<u>341,030</u>	<u>324,709</u>
<u>Current assets</u>					
Inventories		11,946	10,320	–	–
Trade and other receivables		42,071	39,908	22,307	18,604
Other non-financial assets		1,251	1,767	161	154
Cash and cash equivalents		66,840	69,937	16,541	21,965
Total current assets		<u>122,108</u>	<u>121,932</u>	<u>39,009</u>	<u>40,723</u>
Total assets		<u>302,615</u>	<u>308,857</u>	<u>380,039</u>	<u>365,432</u>
EQUITY AND LIABILITIES					
<u>Equity</u>					
Share capital	12	445,723	445,723	445,723	445,723
Accumulated losses		(146,584)	(149,320)	(138,390)	(136,899)
(Adverse balance) / other reserves		(35,378)	(37,744)	70,932	52,612
Equity attributable to owners of the Company		<u>263,761</u>	<u>258,659</u>	<u>378,265</u>	<u>361,436</u>
Non-controlling interests		1	1	–	–
Total equity		<u>263,762</u>	<u>258,660</u>	<u>378,265</u>	<u>361,436</u>
<u>Non-current liabilities</u>					
Deferred tax liabilities	7	275	346	–	–
Lease liabilities		9,078	10,945	127	246
Total non-current liabilities		<u>9,353</u>	<u>11,291</u>	<u>127</u>	<u>246</u>
<u>Current liabilities</u>					
Income tax payable		351	425	11	–
Trade and other payables		23,167	31,451	1,388	3,173
Lease liabilities		5,982	6,691	248	238
Other financial liabilities	13	–	339	–	339
Total current liabilities		<u>29,500</u>	<u>38,906</u>	<u>1,647</u>	<u>3,750</u>
Total liabilities		<u>38,853</u>	<u>50,197</u>	<u>1,774</u>	<u>3,996</u>
Total equity and liabilities		<u>302,615</u>	<u>308,857</u>	<u>380,039</u>	<u>365,432</u>

a. Refer to Note 19 for further information.

Aoxin Q & M Dental Group Limited

Condensed Interim Statements of Changes in Equity

Group	Total equity RMB'000	Attributable to owners of the Company RMB'000	Share capital RMB'000	Accumulated losses RMB'000	Other reserve RMB'000	Statutory reserve RMB'000	Share- based payment reserve RMB'000	Foreign currency translation reserve RMB'000	Non- controlling interests RMB'000
Current year									
Opening balance at 1 January 2025 (Restated) ^a	258,660	258,659	445,723	(149,320)	(71,920)	10,123	6,736	17,317	1
Total comprehensive income for the period	5,102	5,102	—	2,736	—	—	—	2,366	—*
Closing balance at 30 June 2025	<u>263,762</u>	<u>263,761</u>	<u>445,723</u>	<u>(146,584)</u>	<u>(71,920)</u>	<u>10,123</u>	<u>6,736</u>	<u>19,683</u>	<u>1</u>
Previous year									
Opening balance at 1 January 2024	267,025	267,025	445,473	(140,268)	(71,920)	9,069	7,403	17,268	—*
Total comprehensive income for the period (Previously reported)	7,368	7,368	—	7,334	—	—	—	34	—*
Restatements ^a (Note 19)	(2,425)	(2,425)	—	(2,425)	—	—	—	—	—
Total comprehensive income for the period (Restated) ^a	4,943	4,943	—	4,909	—	—	—	34	—*
Transfer to statutory reserve	—	—	—	(318)	—	318	—	—	—
Closing balance at 30 June 2024 (Restated) ^a	<u>271,968</u>	<u>271,968</u>	<u>445,473</u>	<u>(135,677)</u>	<u>(71,920)</u>	<u>9,387</u>	<u>7,403</u>	<u>17,302</u>	<u>—*</u>

* Representing amount less than RMB1,000.

a. Refer to Note 19 for further information.

Condensed Interim Statements of Changes in Equity (cont'd)

Company	Total equity RMB'000	Share capital RMB'000	Accumulated losses RMB'000	Share-based payment reserve RMB'000	Foreign currency translation reserve RMB'000
Current year					
Opening balance at 1 January 2025	361,436	445,723	(136,899)	6,736	45,876
Total comprehensive income/(loss) for the period	16,829	—	(1,491)	—	18,320
Closing balance at 30 June 2025	<u>378,265</u>	<u>445,723</u>	<u>(138,390)</u>	<u>6,736</u>	<u>64,196</u>
Previous year					
Opening balance at 1 January 2024	374,929	445,473	(123,801)	7,403	45,854
Total comprehensive income for the period	686	—	551	—	135
Closing balance at 30 June 2024	<u>375,615</u>	<u>445,473</u>	<u>(123,250)</u>	<u>7,403</u>	<u>45,989</u>

Aoxin Q & M Dental Group Limited



Condensed Interim Consolidated Statement of Cash Flows

	6 months ended 30 June	
	2025	2024
	RMB'000	RMB'000
		(Restated) ^a
Cash flows (used in)/ from operating activities		
Profit before income tax	3,037	4,967
Depreciation of property, plant and equipment	3,792	3,898
Amortisation of intangible assets	374	499
Depreciation of right-of-use assets	3,203	3,260
Impairment allowance on trade receivables	50	26
Impairment allowance on non-trade receivables	500	—
Bad trade debts written-off	786	—
Inventories (written back)/written down	(27)	1
Loss/(gain) on remeasurement of right-of-use assets	281	(12)
Gain on derecognised of right-of-use assets	(104)	(106)
Property, plant and equipment written-off	74	1
Gain on disposal of property, plant and equipment	(2)	—
Unrealised foreign exchange (gains)/losses	(2,746)	8
Interest expense	513	762
Share of result of associate	(228)	(2,677)
Operating cash flows before changes in working capital	9,503	10,627
Inventories	(1,598)	(1,151)
Trade and other receivables	(3,499)	3,108
Other non-financial assets	548	159
Trade and other payables	(4,638)	(1,742)
Net cash flows from operations	316	11,001
Income taxes paid	(446)	(190)
Net cash flows (used in)/from operating activities	(130)	10,811
Cash flows used in investing activities		
Acquisition of property, plant and equipment	(1,152)	(679)
Acquisition of intangible assets	—	(60)
Proceed from disposal of property, plant and equipment	3	—
Net cash flows used in investing activities	(1,149)	(739)
Cash flows used in financing activities		
Repayments of bank loan	(347)	(339)
Interest expense paid	(2)	(10)
Payment of principal portion of lease liabilities	(2,127)	(2,389)
Payment of interest portion of lease liabilities	(511)	(752)
Net cash flows used in financing activities	(2,987)	(3,490)
Net (decrease)/increase in cash and cash equivalents	(4,266)	6,582
Cash and cash equivalents, beginning balance	69,937	51,184
Effect of foreign exchange rate changes on cash and cash equivalents	1,169	9
Cash and cash equivalents, ending balance	66,840	57,775

a. Refer to Note 19 for further information.

Notes to the Condensed Interim Consolidated Financial Statements For the Six Months Ended 30 June 2025

1. General

Aoxin Q & M Dental Group Limited (the “**Company**”) is incorporated in Singapore with limited liability. It is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited.

The financial statements are presented in Chinese Renminbi (“**RMB**”) and they cover the Company and its subsidiaries (collectively, the “**Group**”). All balances in the financial statements are rounded to the nearest thousand except when otherwise indicated.

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

The principal activity of the Company is investment holding. The principal activities of the subsidiaries are disclosed in Note 3A on financial information by operating segments.

The latest audited annual financial statements for the reporting year ended 31 December 2024 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

Basis of preparation

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

The accounting policies and methods of computation applied in these condensed interim financial statements are consistent with those of the latest audited annual financial statements for the reporting year ended 31 December 2024. The Group has adopted all the new and revised SFRS (I) that are relevant to its operations and effective for the current financial year. The adoption of these new/revised SFRS(I)s did not result in material changes to the Group’s accounting policies and has no material effect on the financial results or position of the Group and the Company. The condensed interim financial statements do not include all the information required for a complete set of financial statements. 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 the Group since the latest audited annual financial statements.

1. General (cont'd)**Critical judgements, assumptions and estimation uncertainties**

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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 latest audited annual financial statements as at and for the year ended 31 December 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are as follows:

- Assessment of impairment of goodwill
- Assessment of carrying amounts of property, plant and equipment, intangible assets and right-of-use assets
- Estimation of useful lives of property, plant and equipment
- Assessment of impairment of subsidiaries
- Assessment of impairment of associate
- Assessment of loss allowance on inventories
- Assessment of expected credit loss ("ECL") allowance on trade receivables
- Assessment of income tax amounts

2. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

3. Financial information by operating segments**3A. Information about reportable segment profit or loss, assets and liabilities**

For management purpose, the Group is organised into the following strategic operating segments that offer different products and services: (1) primary healthcare, (2) dental equipment and supplies distribution, and (3) laboratory services. Such a structural organisation is determined by the nature of the risks and returns associated with each business segment and it defines the management structure as well as the internal reporting system. It represents the basis on which the management reports the primary segment information that is available and that is evaluated regularly by the chief operating decision maker, being the Group chief executive officer (or officer(s) of equivalent authority), in deciding how to allocate resources and in assessing the performance. They are managed separately because each business requires different strategies.

The segments and the types of products and services are as follows:

- (i) Primary healthcare comprising dentistry services.
- (ii) Distribution of dental equipment and supplies, which includes, amongst others, the distribution of equipment and supplies used in the provision of dental services.
- (iii) Laboratory services comprising the manufacturing of porcelain crown, bridges and dentures.

Aoxin Q & M Dental Group Limited

3B. Profit or loss for the six months ended 30 June from continuing operations and reconciliations

	Primary healthcare		Distribution of dental equipment and supplies		Laboratory services		Consolidated	
	2025 RMB'000	2024 RMB'000 (Restated) ^a	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000	2025 RMB'000	2024 RMB'000 (Restated) ^a
Revenue from external customers (Note 3)	54,900	54,556	19,899	17,668	12,020	10,795	86,819	83,019
Inter-segment revenue	15,507	16,806	5,159	5,174	5,344	6,941	26,010	28,921
Total Revenue	70,407	71,362	25,058	22,842	17,364	17,736	112,829	111,940
Segment results excluding unallocated corporate expenses	14,410	12,814	(314)	110	2,020	3,631	16,116	16,555
Unallocated corporate expenses							(5,197)	(3,169)
Finance costs							(513)	(762)
Depreciation of property, plant and equipment							(3,792)	(3,898)
Depreciation of right-of-use assets							(3,203)	(3,260)
Amortisation of intangible assets							(374)	(499)
Profit before income tax							3,037	4,967
Income tax expense							(301)	(58)
Profit, net of tax							2,736	4,909
Expenditure for non-current assets								
Property, plant and equipment	742	562	2	–	343	117	1,087	679
Other material non-cash items								
Depreciation of property, plant and equipment	3,337	3,403	9	63	446	432	3,792	3,898
Depreciation of right-of-use assets	3,015	3,089	42	59	146	112	3,203	3,260
Amortisation of intangible assets	138	263	21	20	215	216	374	499
Finance costs	497	712	2	5	14	45	513	762
Property, plant and equipment written-off	74	1	–	–	–	–	74	1
ECL (reversal)/allowance on trade receivables	12	(28)	–	37	38	17	50	26
Impairment allowance on non-trade receivables	500	–	–	–	–	–	500	–
Bad trade debts written-off	786	–	–	–	–	–	786	–

3C. Balance Sheet as at 30 June 2025 and 31 December 2024

Segment assets	247,811	256,024	20,232	19,345	34,572	33,488	302,615	308,857
Segment liabilities	32,801	41,200	2,237	3,784	3,815	5,213	38,853	50,197

a. Refer to Note 19 for further information.

3D. Geographical segments

	<u>Revenue</u>		<u>Non-current assets</u>	
	<u>6 months ended 30 June</u>		<u>30 Jun</u>	<u>31 Dec</u>
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000 (Restated)	RMB'000	RMB'000
People's Republic of China	85,224	81,891	172,982	179,600
Singapore	1,595	1,128	7,525	7,325
Total	<u>86,819</u>	<u>83,019</u>	<u>180,507</u>	<u>186,925</u>

4. Revenue

	<u>6 months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000 (Restated)
<u>Revenue classified by nature type</u>		
Rendering of services	52,864	50,376
Sale of goods	19,899	17,668
Laboratory services	12,010	10,795
Leasing income	57	216
Management fee income from outside parties	1,989	3,950
Other income	—	14
Total revenue	<u>86,819</u>	<u>83,019</u>
<u>Revenue classified by timing of revenue recognition</u>		
Point in time	84,773	78,853
Over time	2,046	4,166
	<u>86,819</u>	<u>83,019</u>

5. Other income and gains and (other losses)

The following other income and gains and (other losses) were included in the condensed interim consolidated statement of profit or loss.

	<u>6 months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
Bad trade debts written-off	(786)	—
Compensation on early termination of leases	(100)	—
Foreign exchange adjustment (losses)/gains	(1,591)	3
Gain on de-recognised of right-of-use assets	104	106
Gain on disposal of property, plant and equipment	2	—
Government grant/incentive	1,693	757
Impairment allowance on non-trade receivables	(500)	—
Inventories written down	27	(1)
(Loss)/gain on remeasurement of right-of-use assets	(281)	12
Non-trade payables written off	21	153
Property, plant and equipment written-off	(74)	(1)
Rental discount/waiver	372	224
Other losses	(13)	(25)
Other gains	7	16
Net	<u>(1,119)</u>	<u>1,244</u>

5. Other income and gains and (other losses) (Cont'd)

	<u>6 months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
Presented in profit or loss as:		
Other income and gains	2,226	1,271
Other losses	(3,345)	(27)
	<u>(1,119)</u>	<u>1,244</u>

6. Finance costs

	<u>6 months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
Interest on borrowings	(2)	(10)
Interest on lease liabilities	(511)	(752)
	<u>(513)</u>	<u>(762)</u>

7. Income tax

	<u>6 months ended 30 June</u>	
	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
<u>Current tax expense</u>		
Current tax expense	(275)	(202)
Under provision in respect of prior years	(81)	(55)
Subtotal	<u>(356)</u>	<u>(257)</u>
<u>Deferred tax income</u>		
Deferred tax income	71	101
<u>Withholding tax expense</u>		
Current withholding tax expense	(16)	(13)
Over provision in respect of prior years	—	111
Subtotal	<u>(16)</u>	<u>98</u>
Total income tax expense	<u>(301)</u>	<u>(58)</u>

	<u>Group</u>	
	<u>30 Jun</u>	<u>31 Dec</u>
	<u>2025</u>	<u>2024</u>
	RMB'000	RMB'000
<u>Deferred tax assets/(liabilities)</u>		
Tax losses carryforward	978	978
Excess of carrying values over tax values of intangible assets, and property, plant and equipment	(275)	(346)
	<u>703</u>	<u>632</u>
Presented in the statements of financial position as follows:		
Deferred tax assets	978	978
Deferred tax liabilities	(275)	(346)
	<u>703</u>	<u>632</u>

7. Income tax (Cont'd)

As at 30 June 2025, deferred tax asset of RMB978,000 (31 December 2024: RMB978,000) was recognised in respect of these unutilised tax losses as it is probable that the benefit will flow to the entities having these losses and the benefit can be reliably measured.

8. Earnings per share

	6 months ended 30 June	
	2025	2024
	RMB cents	RMB cents (Restated)
Basic earnings per share	0.53	0.96
Diluted earnings per share	0.53	0.96
Weighted average number of shares:-		
Basic	511,522,048	511,288,635
Diluted	511,522,048	512,249,200

Basic earnings per share is computed by dividing the profit after tax attributable to owners of the Company against the weighted average number of ordinary shares outstanding for the respective reporting periods.

Diluted earnings per share is computed by dividing the profit after tax attributable to owners of the Company against the weighted average number of ordinary shares outstanding for the respective reporting periods plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

There have been no transaction involving ordinary shares or potential ordinary shares since the reporting date and before the completion of these condensed interim financial statements.

9. Property, plant and equipment

During the financial period, the Group acquired property, plant and equipment amounting to RMB1.2 million (1H2024: RMB0.7 million). The written-off and disposal of property, plant and equipment amounted to RMB74,000 (1H2024: RMB1,000) and RMB30,000 (1H2024: Nil) respectively.

10. Goodwill

There was no movement in the carrying value of goodwill. Since the beginning of the reporting period, there were no significant changes in the circumstances and key assumptions.

The cash flow forecasts have been used to perform impairment assessment of the Company's investments in subsidiaries, goodwill, property, plant and equipment, right-of-use assets and other intangible assets. No impairment loss was recognised as the recoverable amounts were higher than the carrying values of these assets at the end of the reporting period.

11. Investment in an associate

	<u>Group</u>		<u>Company</u>	
	30 Jun <u>2025</u> RMB'000	31 Dec <u>2024</u> RMB'000	30 Jun <u>2025</u> RMB'000	31 Dec <u>2024</u> RMB'000
Unquoted equity shares	<u>7,292</u>	<u>6,716</u>	<u>7,058</u>	<u>6,716</u>
Balance at beginning of the period/year	6,716	20,897	6,716	20,897
Foreign exchange adjustments	348	56	342	56
Share of results for the period/year	228	(14,237)	—	—
Impairment loss	<u>—</u>	<u>—</u>	<u>—</u>	<u>(14,237)</u>
Balance at end of the period/year	<u>7,292</u>	<u>6,716</u>	<u>7,058</u>	<u>6,716</u>

12. Share capital

	<u>Number of shares '000</u>	<u>Share Capital RMB'000</u>
Ordinary shares		
Balance as at 1 January 2024, 31 December 2024 and 30 June 2025	<u>511,522</u>	<u>445,723</u>

Share options

As at 30 June 2025, there were no outstanding share options. (30 June 2024: Nil).

Share awards

As at 30 June 2025, the total number of share awards outstanding under Aoxin Q & M Performance Share Plan was Nil (30 June 2024: 960,565) which vest in accordance with the vesting schedules each commencing on 1 January 2020 and ending on 31 December 2029, subject to certain vesting conditions.

As at 30 June 2025, the issued and paid-up share capital excluding treasury shares of the Company comprised 511,522,048 (31 December 2024: 511,522,048) ordinary shares.

Save as disclosed, there were no subsidiary holdings, treasury shares or outstanding convertibles as at 30 June 2025 and 30 June 2024.

13. Other financial liabilities – borrowings and debt securities

	<u>Unsecured</u>	
	30 Jun <u>2025</u> RMB'000	31 Dec <u>2024</u> RMB'000
<u>Group and Company</u>		
Repayable in one year or less, or on demand:		
Bank loan	<u>—</u>	<u>339</u>

The unsecured bank loan relating to a 5-year temporary bridging loan ("TBL") extended by a bank in Singapore was fully repaid in 1H2025. The TBL was repaid over 60 monthly instalments with fixed interest rate of 2.25% per annum.

14. Net assets value

	<u>Group</u>		<u>Company</u>	
	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
	RMB cents	RMB cents (Restated)	RMB cents	RMB cents
Net assets value per ordinary share	51.6	50.6	74.0	70.7

The net asset value per ordinary share of the Group and the Company have been calculated based on the total issued number of ordinary shares of 511,522,048 as at 30 June 2025 and 31 December 2024 respectively.

15. Related party transactions

There are transactions and arrangements between the Group and its related parties and the effects of these on the basis determined between the parties are reflected in these consolidated financial statements. The related party balances and any financial guarantees are unsecured, without fixed repayment terms and interest or charge unless stated otherwise.

Intragroup transactions and balances that have been eliminated in these consolidated financial statements are not disclosed as related party transactions and balances below.

During the reporting period, certain subsidiaries leased clinics, hospitals and offices from their directors and the Company leased software from a related party. The total carrying values of right-of-use assets related to these leases as at the end of the reporting period as follows:

	<u>Group</u>		<u>Company</u>	
	30 Jun 2025	31 Dec 2024	30 Jun 2025	31 Dec 2024
	RMB'000	RMB'000	RMB'000	RMB'000
Carrying values of right-of-use assets	2,573	3,175	384	489

Other than above, the Group also carried out transactions with related parties during the reporting period as follows:

	<u>Group</u>	
	6 months ended 30 Jun 2025	2024
	RMB'000	RMB'000
Revenue from laboratory services	1,595	1,128
Management fee	(272)	—
Rental expenses	(96)	—

16. Categories of financial assets and liabilities

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

	<u>Group</u>		<u>Company</u>	
	30 Jun <u>2025</u> RMB'000	31 Dec <u>2024</u> RMB'000 (Restated)	30 Jun <u>2025</u> RMB'000	31 Dec <u>2024</u> RMB'000
<u>Financial assets:</u>				
Financial assets at amortised cost	<u>108,911</u>	<u>109,845</u>	<u>45,601</u>	<u>46,995</u>
<u>Financial liabilities:</u>				
Financial liabilities at amortised cost	<u>35,754</u>	<u>47,077</u>	<u>1,763</u>	<u>3,996</u>

17. Contingent liabilities and contingent assets

There are no contingent liabilities and contingent assets as at date of this set of interim financial statements.

18. Capital commitments

As at 30 June 2025, there was no committed future capital expenditure not recognised in the financial statements (31 December 2024: Nil).

19. Restatement of prior period financial statements

During the six months ended 30 June 2025, upon the request of the National Healthcare Security Administration 国家医疗保障局 (“**NHSA**”), a Chinese government agency that oversees, inter alia, the nation's health insurance plan and centralized purchasing of drugs and medical supplies, the Group conducted a self-review exercise on two of our hospitals, namely Shenyang Aoxin Q & M Stomatology Hospital Co., Ltd. and Shenyang City Shenhe District No. 6 Hospital (Shenyang Aoxin Q & M Stomatology Hospital Co., Ltd. – Branch Hospital) (the “**Hospitals**”). Further to the self-review, NHSA and the Hospitals concluded that there was an excess claim of cost of material from NHSA amounting in aggregate to approximately RMB6.2 million for FY2024, of which RMB3.7 million had been refunded to NHSA in June 2025. Please refer to the Company's announcement of 22 June 2025. The remaining balance overclaimed amount of RMB2.5 million will be refunded to NHSA in 3Q2025.

This overclaim resulted in an overstatement of revenue and understatement of liabilities in the twelve month period ended 31 December 2024. As a result, the overstatement of revenue and understatement of liabilities have been adjusted retrospectively. The consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes of equity, consolidated statement of cash flows and earnings per share of the Group for 1H2024, 2H2024 and FY2024 had since been restated.

19. Restatement of prior period financial statements (Cont'd)

The following table summarises the impact of the restatement on the affected line items of 1H2024, 2H2024 and FY2024 financial statements:

<u>Group</u>	<u>Previously reported RMB'000</u>	<u>Adjustment RMB'000</u>	<u>Restated RMB'000</u>
<u>Consolidated Statement of Profit or Loss and Other Comprehensive Income for the six months ended 30 June 2024</u>			
Revenue	85,444	(2,425)	83,019
<u>Consolidated Statement of Changes in Equity as at 30 June 2024</u>			
Accumulated losses	(133,252)	(2,425)	(135,677)
Attributable to owners of the Company	274,393	(2,425)	271,968
Total equity	274,393	(2,425)	271,968
<u>Consolidated Statement of Changes in Cash Flows for the six months ended 30 June 2024</u>			
Profit before income	7,392	(2,425)	4,967
Operating cash flows before changes in working capital	13,052	(2,425)	10,627
Trade and other payables	(4,167)	2,425	(1,742)
<u>Consolidated Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2024</u>			
Revenue	183,722	(6,237)	177,485
<u>Consolidated Statements of Financial Position As at 31 December 2024</u>			
Accumulated losses	(143,083)	(6,237)	(149,320)
Trade and other payables	25,214	6,237	31,451
	RMB cents	RMB cents	RMB cents
<u>Earnings per share the six months ended 30 June 2024</u>			
Basic	1.43	(0.47)	0.96
Diluted	1.43	(0.47)	0.96
<u>Net assets value per ordinary share as at 31 December 2024</u>			
	51.8	(1.2)	50.6

20. Events after the end of the reporting period

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

OTHER INFORMATION REQUIRED BY CATALIST RULE APPENDIX 7C**1. Review**

The condensed interim consolidated statement of financial position of Aoxin Q & M Dental Group Limited and its subsidiaries as at 30 June 2025 and the related condensed interim consolidated profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business**Statement of Comprehensive Income ("1H2025 vs 1H2024")****Revenue**

The Group recorded revenue of RMB86.8 million for the six months ended 30 June 2025 ("1H2025") as compared to RMB83.0 million in the corresponding period in the preceding year ("1H2024"), representing an increase of RMB3.8 million or 4.6% year on year.

Revenue from primary healthcare segment increased by 0.6% from RMB54.6 million in 1H2024 to RMB54.9 million in 1H2025. The higher revenue was mainly due to an overall increase in patient numbers seeking dental treatments.

Revenue from distribution of dental equipment and supplies segment increased by 12.6% from RMB17.7 million in 1H2024 to RMB19.9 million in 1H2025. The improvement was mainly attributable to increase in sales of dental equipment to government hospitals.

Revenue from laboratory services segment increased by 11.3% from RMB10.8 million to RMB12.0 million in 1H2025. The increase was in line with the increase in revenue from the primary healthcare segment.

Other Income and Gains

Other income and gains increased by RMB1.0 million in 1H2025 mainly due to an increase in government grant/incentive and rental discount/waiver from landlords.

Expenses**Cost of consumables and dental supplies**

Cost of consumables and dental supplies decreased by 5.8% from RMB8.4 million in 1H2024 to RMB7.9 million in 1H2025.

As a percentage of revenue from the primary healthcare segment, cost of consumables and dental supplies used in 1H2025 was 14.4% as compared to 15.4% in 1H2024. The improvement was largely due to stringent control on material cost and better inventory control.

Cost of sales in dental equipment and supplies

Cost of sales in dental equipment and supplies increased by 17.9% from RMB14.8 million in 1H2024 to RMB17.4 million in 1H2025, which was mainly due to the increase in revenue from the distribution of dental equipment and supplies segment.

As a percentage of revenue from the distribution of dental equipment and supplies segment, cost of sales in dental equipment and supplies in 1H2025 was 87.5% as compared to 83.6% in 1H2024. The higher cost was mainly attributable to lower margin for sales of materials.

2. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business (cont'd)

Cost of laboratory services

Cost of laboratory services decreased by 11.7% from RMB2.6 million in 1H2024 to RMB2.3 million in 1H2025.

As a percentage of revenue from the laboratory services segment, cost of laboratory services was 19.4% in 1H2025 as compared to 24.5% in 1H2024. The higher gross profit margin of the laboratory services segment for 1H2025 was mainly due to lower material cost and effective inventory control.

Employee benefits expenses

Employee benefits expenses decreased by 3.2% from RMB39.3 million in 1H2024 to RMB38.1 million in 1H2025.

As a percentage of revenue, employee benefits expenses in 1H2025 was 43.9% as compared to 47.4% in 1H2024.

Depreciation and amortisation expenses

Depreciation and amortisation expenses decreased by 5.3% or RMB0.2 million in 1H2025. The decrease was mainly due to certain property, plant and equipment being fully depreciated as a result of end of useful life.

Other expenses

Other expenses increased by 8.5% from RMB8.0 million in 1H2024 to RMB8.6 million in 1H2025. The increase was mainly due to:

- (i) increase in marketing expenses of RMB0.4 million; and
- (ii) increase in professional fee of RMB0.1 million.

As a percentage of revenue, other expenses in 1H2025 increased to 10.0% from 9.6% in 1H2024.

Other losses

Other losses increased by RMB3.3 million in 1H2025 mainly due to an increase in unrealised foreign exchange losses, bad trade debts written off, impairment allowance on non-trade receivables and loss on remeasurement of right-of-use assets.

EBITDA (excluding share of results of associate)

The Group's EBITDA maintained at RMB10.7 million in 1H2024 and 1H2025.

Share of results of associate

Share of results of associate, Acumen Diagnostics Pte. Ltd., decreased by 91.5% to RMB0.2 million in 1H2025. The decrease was largely due to the expiry of lab licence and cessation of government contract for Covid-19 vaccination. The associate had become dormant since then and the share of results for 1H2025 was largely due to disposal of fixed assets.

Income tax expense

Tax expense was RMB0.3 million in 1H2025 as compared to RMB0.06 million in 1H2024. The increase was largely due to absence of provision of withholding tax in prior years and higher current tax expenses due to higher profit from China business.

Profit After Tax

Arising from the above reasons, the Group recorded a net profit of RMB2.7 million in 1H2025 as compared to a net profit of RMB4.9 million in 1H2024. Excluding the share of results of associate, the profit for 1H2025 and 1H2024 would have been RMB2.5 million and RMB2.2 million respectively.

2. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business (cont'd)

Statement of Financial Position

The comparative performance for both the assets and liabilities are based on the Group's financial statements as at 30 June 2025 and 31 December 2024.

Non-Current Assets

Property, plant and equipment decreased by RMB2.8 million, largely due to the depreciation of property, plant and equipment of RMB3.8 million, partially offset by the assets acquired amounting to RMB1.2 million.

Right-of-use ("ROU") assets decreased by RMB3.8 million, mainly due to the depreciation of ROU assets of RMB3.3 million. The Group's ROU assets are related to premises leased by the Group for its dental centres and business units.

Investment in associate increased by RMB0.6 million, mainly due to foreign exchange adjustments of RMB0.3 million and share of results of RMB0.2 million.

Current Assets

Trade and other receivables increased by RMB2.2 million, largely due to higher trade receivable for distribution of dental equipment and supplies segment due to slower payment from the customers.

Cash and cash equivalents decreased by RMB3.1 million mainly due to reasons as detailed in the cash flow movements analysis below.

Non-Current Liabilities

Lease liabilities decreased by RMB1.9 million, mainly due to the payment of lease liabilities and repayment of the unsecured bank loan of RMB0.3 million during 1H2025.

Current Liabilities

Trade and other payables decreased by RMB8.3 million, mainly due to payments of employee costs, other payables and trade payables.

Lease liabilities decreased by RMB0.7 million mainly due to payment made during 1H2025.

Statement of Cash Flows

The Group's net cash flow used in operating activities in 1H2025 was RMB0.1 million. This was largely due to working capital changes of RMB9.2 million and tax payment of RMB0.4 million offset by operating cash flows before change in working capital of RMB9.5 million.

Net cash used in investing activities in 1H2025 of RMB1.1 million was mainly attributable to the acquisition of property, plant and equipment.

Net cash flows used in financing activities in 1H2025 was RMB3.0 million, mainly due to the repayment of lease liabilities.

Consequent to the above, the Group's cash and cash equivalents stood at RMB66.8 million as at 30 June 2025.

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

Not applicable.

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**

Prospects

The Board is of the view that the dental services sector in China has experienced significant changes over the past few years following the end of the Covid-19 pandemic. Competition has intensified, while consumer spending are still cautious and focused on value-for-money purchase of goods and services.

Being a licensed medical institution, our Group is subject to strict regulatory requirements which are constantly evolving, such as the national medical insurance policy (医保统筹). We aim to keep abreast of continuous changes in this area to maximise the benefits of being an approved dental hospital under the medical insurance policy scheme.

At the same time, the national centralized procurement policies for dental implants remain in force, which will continue to exert margin pressures on our implantology services.

As part of the changing landscape towards the adoption of AI across all sectors, we will continue to explore digital technology and the use of AI to develop precise and better treatment plans for patients as part of our patient retention strategy.

Our Group is also expanding our lab services businesses into Singapore and other regional countries, to tap into the strong demand for dental lab services in Southeast Asia.

Barring any unforeseen circumstances, other than disclosed above, there are no known significant changes in the trends and competitive conditions in which the Group operates and other known factors or events that may adversely affect the Group in the next 12 months.

5. **Dividend**

If a decision regarding dividend has been made:

- (a) **Whether an interim ordinary dividend has been declared (recommended); and**

None.

- (b) (i) **Amount per share and cents**

Not applicable

- (ii) **Previous corresponding period and cents**

Not applicable

- (c) **Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived.**

Not applicable

- (d) The date the dividend is payable.

Not applicable.

- (e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

- 6. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.**

No dividend has been declared or recommended for 1H2025 as the Group is conserving cash for working capital needs.

- 7. Interested person transactions**

The Group has not obtained a general mandate from shareholders for interested person transactions pursuant to Rule 920 of the Catalist Rules. Particulars of the interested person transactions for 1H2025, disclosed in accordance with Rule 907 of the Catalist Rules, are set out below:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Catalist Rules)	Aggregate value of all interested person transactions conducted under the shareholders' mandate pursuant to Rule 920 of the Catalist Rules (excluding transactions less than S\$100,000)
Singapore Dental Cadcam Laboratory Pte Ltd	Subsidiary of Q & M Dental Group (Singapore) Limited, a controlling shareholder of the Company **	S\$291,000* Revenue from laboratory services segment	None

* RMB5.48 to SGD1

** The Company has become a subsidiary of Q & M Dental Group (Singapore) Limited with effective from 16 June 2025.

- 8. Disclosure on incorporation, acquisition and realization of shares pursuant to Catalist Rule 706A**

The Company had struck off two dormant wholly-owned subsidiaries, namely Anshan Lishan District Aoxin Q & M Stomatology Polyclinic Co., Ltd. and Shenyang Aoxin Jinfeng Dental Clinic Co., Ltd. on 25 June 2025 and 14 July 2025 respectively.

9. Confirmation pursuant to Rule 720(1) of the Catalist Rules

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

10. Confirmation by the Board pursuant to Rule 705 (5) of the Catalist Rules

On behalf of the 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 unaudited condensed interim financial statements of the Company and the Group for the six months ended 30 June 2025 to be false or misleading in any material aspect.

On behalf of the board of directors

Mr Chua Ser Miang
Non-Executive Chairman and
Independent Director

Ms Ng Sook Hwa
Non-Independent Non-Executive
Director

14 August 2025