



**AOXIN Q & M reported a profit of RMB 2.8 million  
for the first quarter ended 31 March 2022  
from a loss of RMB4.7 million in corresponding period**

**Highlights:**

- Net profit improved RMB7.5 million to RMB2.8 million in 1Q2022 from loss of RMB4.7million in 1Q2021
- EBITDA increased 17.6 fold from RMB0.5 million in 1Q2021 to RMB8.0 million in 1Q2022
- Cash and Cash equivalents almost doubled to RMB48.1 million in 1Q2022 arising from Acumen’s first dividend payout of RMB23.1 million post completion of Acumen’s acquisition on 1 November 2021

**Singapore, 11 May 2022** – Catalyst-listed **Aoxin Q & M Dental Group Limited** (the “Company”, together with its subsidiaries, the “Group”), a leading provider of private dental services in the Liaoning Province, Northern People’s Republic of China (“PRC”) together with its homegrown medical technology associate company, reported a turnaround performance for the first quarter ended 31 March 2022 (“1Q2022”). Net Profit for the Group for 1Q2022 was RMB2.8 million compared to a loss of RMB4.7 million in the corresponding period (“1Q2021”).

**Financial Highlights**

	1Q2022	1Q2021	Change	Change
	RMB'000	RMB'000	RMB'000	%
Revenue	34,280	34,799	(519)	(1.5)
EBITDA <sup>1</sup>	7,974	452	7,522	>100
(Loss) for the period (Excluding share of profit from associate)	(1,485)	(4,661)	(3,176)	(68.1)
Share of profit from associate	4,289	-	4,289	NM <sup>2</sup>
Net profit/(loss) for the period	2,804	(4,661)	7,465	NM <sup>2</sup>

The Group reported revenue of RMB34.3 million in 1Q2022, a slight decrease of RMB0.5 million or 1.5% as compared to 1Q2021. The decrease was largely due to lower revenue contribution from the distribution of dental equipment and supplies segment resulting from the closure of operations due to Covid-19 offset by an increase in revenue from the primary healthcare segment.

<sup>1</sup> EBITDA: Earnings Before Interest, Tax, Depreciation and Amortisation

<sup>2</sup> NM: Not meaningful

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The Group's EBITDA increased RMB7.5 million to RMB8.0 million in 1Q2022 from RMB0.5 million in 1Q2021. The increase in EBITDA was mainly attributable to (i) improvement in gross profit margin as well as cost reduction in the primary healthcare segment; (ii) share of profit from its 49% associate company, Acumen Diagnostics Pte Ltd ("Acumen") of RMB4.3 million which was acquired on 1 November 2021.

#### Business Updates

With the resurgence of Covid-19 cases since March 2022 in PRC, the National Health Commission of the PRC had issued a directive to all medical facilities to temporarily suspend all non-emergency medical treatments, including dental services, resulting in the temporary closures of some of our hospitals and dental polyclinics in the cities of Shenyang and Dalian.

Our associate company, Acumen, will focus on rolling out its pipeline of new tests including PCR assays for sepsis, as well as identification of bacterial pathogens and their associated antibiotics resistance in pneumonia and blood stream infections, in addition to PCR tests for screening of colorectal cancer.

Commenting on the Group's 1Q2022 financial results, Dr Shao Yongxin, Group Chief Executive Officer said,

*"China continues to implement a zero-Covid policy which affects all industries and the dental industry is no exception. The resurgence of Covid-19 led to closures of our operations since March which resulted in lower customers' demand for dental equipment and supplies and laboratories services. Notwithstanding the challenging business environment, the Group achieved a turnaround performance with a profit of RMB2.8 million for 1Q2022 from a loss of RMB4.7 million in 1Q2021, with cost reduction and profit contribution from Acumen.*

*Barring any unforeseen circumstances, the management is cautiously optimistic for the Group's performance for the financial year ending 31 December 2022."*

This media release is to be read in conjunction with the Group's announcement posted on SGXNET on 11 May 2022.

Dr. Shao Yongxin  
Executive Director and Group Chief Executive Officer

11 May 2022

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#### Financial Controller

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*This announcement has been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"). It has not been examined or approved by the Singapore Exchange Securities*

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