

**AOXIN Q & M reported a profit of RMB7.3 million
for the six months ended 30 June 2024**

1H2024 Highlights:

- Net profit of RMB7.3 million in 1H2024 from net loss of RMB1.2 million in 1H2023.
- EBITDA¹ improved by 95.2% to RMB13.1 million.
- Cash and cash equivalents increased by 12.9% to RMB57.8 million with low bank gearing ratio of 0.3%.

Singapore, 12 August 2024 – Catalyst-listed **Aoxin Q & M Dental Group Limited** (the “Company”, together with its subsidiaries, the “Group”), a leading provider of private dental services and distribution of dental equipment and supplies in the Liaoning Province, Northern People’s Republic of China (“PRC”) together with its homegrown medical technology associate company, reported a net profit of RMB7.3 million for the six months ended 30 June 2024 (“1H2024”), as compared to a loss of RMB1.2 million for the six months ended 30 June 2023 (“1H2023”).

Financial Highlights

	1H2024	1H2023	Change	Change
	RMB'000	RMB'000	RMB'000	%
Revenue	85,444	80,575	4,869	6.0
EBITDA ¹ (excluding share of results from associate)	13,134	6,727	6,407	95.2
Profit/(loss) for the period (excluding share of results from associate)	4,657	(3,203)	7,860	NM ²
Share of results from associate	2,677	2,049	628	30.6
Net profit/(loss) for the period	7,334	(1,154)	8,488	NM ²

The Group recorded revenue of RMB85.4 million for 1H2024 as compared to RMB80.6 million in 1H2023, representing an increase of RMB4.8 million or 6.0% year on year.

¹ EBITDA: Earnings Before Interest Expenses, Tax, Depreciation and Amortisation excluding share of results of associate

² NM: Not meaningful

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Revenue from primary healthcare segment increased by 12.5% in 1H2024 due mainly to an overall increase in patient numbers seeking dental treatments, in particular for gum diseases, as well as better affordability resulting from the changing regulatory environment towards healthcare in China.

Revenue from distribution of dental equipment and supplies segment decreased by 15.8% in 1H2024. This was mainly due to lesser demand for dental equipment from government hospitals due to a reduction in government capital expenditure budget.

Revenue from laboratory services segment increased by 20.5% in 1H2024. The increase was mainly due to business expansion to overseas markets.

The Group's EBITDA increased by 95.2% in 1H2024. The increase was largely due to improvement in primary healthcare segment by RMB6.1 million as a result of higher revenue.

Share of results of associate, Acumen Diagnostics Pte. Ltd., increased by 30.6% to RMB2.7 million in 1H2024. The improvement was largely due to cost-cutting measures implemented during the financial period.

As at 30 June 2024, the Group's cash and cash equivalents stood at RMB57.8 million with bank loans amounted to RMB0.7 million and is in a net cash position of RMB57.1 million. The Group maintained a low bank gearing ratio of 0.3% as at 30 June 2024.

Commenting on the Group's 1H2024 financial results, Dr. Shao Yongxin, Group Chief Executive Officer said,

“For the next 12 months, the Group is cautiously optimistic, against the backdrop of improving consumer spending and economic activity in China. The Group expects the public healthcare sector to remain competitive, mainly driven by the changing regulatory environment affecting medical insurance policy (医保统筹) and the national centralised procurement policy.

At the same time, the Group will explore digital technology to develop precise and suitable treatment plans/alternatives to patients and seek the next growth curve for performance improvement.

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

This media release is to be read in conjunction with the Group's announcement posted on SGXNET on 12 August 2024.

Dr. Shao Yongxin
Executive Director and Group Chief Executive Officer

12 August 2024

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