



## **Aoxin Q & M Dental Group Limited**

### Condensed Interim Financial Statements For the Six Months and Full Year Ended 31 December 2024

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This announcement has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**"). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST 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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## Condensed Interim Consolidated Statements of Profit or Loss and Other Comprehensive Income

	Notes	Group			Group		
		Unaudited	Unaudited	Change	Unaudited	Audited	Change
		2H2024	2H2023		FY2024	FY2023	
		RMB'000	RMB'000	%	RMB'000	RMB'000	%
<b>Revenue</b>							
Primary healthcare		62,273	65,256	(4.6)	119,254	115,887	2.9
Distribution of dental equipment and supplies		23,971	21,162	13.3	41,639	42,151	(1.2)
Laboratory services		12,034	10,262	17.3	22,829	19,217	18.8
Total revenue	4	98,278	96,680	1.7	183,722	177,255	3.6
Interest income		65	78	(16.7)	116	137	(15.3)
Other income and gains	5	2,241	2,593	(13.6)	3,512	2,973	18.1
<b>Expenses</b>							
Consumables and dental supplies		(8,938)	(9,927)	(10.0)	(17,318)	(16,800)	3.1
Cost of sales in dental equipment and supplies		(20,908)	(18,342)	14.0	(35,675)	(36,507)	(2.3)
Cost of laboratory services		(2,573)	(2,794)	(7.9)	(5,217)	(4,686)	11.3
Employee benefits expenses		(40,049)	(39,816)	0.6	(79,398)	(76,868)	3.3
Depreciation and amortisation expenses		(3,964)	(5,352)	(25.9)	(8,361)	(10,883)	(23.2)
Depreciation of right-of-use assets		(3,344)	(3,491)	(4.2)	(6,604)	(6,949)	(5.0)
Finance costs	6	(727)	(836)	(13.0)	(1,489)	(1,797)	(17.1)
Net reversal for impairment on trade receivables		39	554	(93.0)	13	463	(97.2)
Impairment loss on investment in an associate	11	—	(46,869)	NM	—	(46,869)	NM
Other expenses		(10,147)	(11,592)	(12.5)	(18,586)	(20,802)	(10.7)
Other losses	5	(785)	(2,863)	(72.6)	(812)	(3,867)	(79.0)
<b>Profit/(loss) before tax, excluding share of results of associate</b>		9,188	(41,977)	NM	13,903	(45,200)	NM
Share of results of associate		(16,914)	(988)	NM	(14,237)	1,061	NM
<b>Loss before tax</b>		(7,726)	(42,965)	(82.0)	(334)	(44,139)	(99.2)
Income tax expense	7	(1,368)	(3,181)	(57.0)	(1,426)	(3,161)	(54.9)
<b>Loss, net of tax</b>		(9,094)	(46,146)	(80.3)	(1,760)	(47,300)	(96.3)
<b>Other comprehensive income/(loss)</b>							
<i>Item that may be reclassified subsequently to profit or loss</i>							
Exchange differences on translation to presentation currency		15	(1,053)	NM	49	3,678	(98.7)
<b>Total comprehensive loss</b>		(9,079)	(47,199)	(80.8)	(1,711)	(43,622)	(96.1)
<b>Profit/(loss), net of tax attributable to:</b>							
Owners of the Company		(9,095)	(46,146)	(80.3)	(1,761)	(47,300)	(96.3)
Non-controlling interests		1	—*	NM	1	—*	NM
		(9,094)	(46,146)	(80.3)	(1,760)	(47,300)	(96.3)
<b>Total comprehensive income/(loss) attributable to:</b>							
Owners of the Company		(9,080)	(47,199)	(80.8)	(1,712)	(43,622)	(96.1)
Non-controlling interests		1	—*	NM	1	—*	NM
		(9,079)	(47,199)	(80.8)	(1,711)	(43,622)	(96.1)

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

	<u>Unaudited</u> 2H2024	<u>Unaudited</u> 2H2023	Change	<u>Unaudited</u> FY2024	<u>Audited</u> FY2023	Change
	RMB'000	RMB'000	%	RMB'000	RMB'000	%
<b>Profit/(loss), net of tax excluding impairment loss on investment in an associate and share of results of associate</b>						
Owners of the Company	7,819	1,711	NM	12,476	(1,492)	NM
Non-controlling interests	1	—*	NM	1	—*	NM
	<u>7,820</u>	<u>1,711</u>	NM	<u>12,477</u>	<u>(1,492)</u>	NM

		RMB Cents	RMB Cents	%	RMB Cents	RMB Cents	%
<b>Earnings per share (loss)</b>							
– Basic	8	(1.78)	(9.03)	(80.3)	(0.34)	(9.25)	(96.3)
– Diluted	8	(1.78)	(9.03)	(80.3)	(0.34)	(9.25)	(96.3)

NM: Not meaningful.

\* Representing amount less than RMB1,000

## Condensed Interim Statements of Financial Position

	Notes	<u>Group</u>		<u>Company</u>	
		<u>Unaudited</u>	<u>Audited</u>	<u>Unaudited</u>	<u>Audited</u>
		<u>FY2024</u>	<u>FY2023</u>	<u>FY2024</u>	<u>FY2023</u>
		RMB'000	RMB'000	RMB'000	RMB'000
<b>ASSETS</b>					
<b><u>Non-current assets</u></b>					
Property, plant and equipment	9	28,427	34,395	12	21
Right-of-use assets		23,446	29,364	489	614
Goodwill	10	125,219	125,219	–	–
Intangible assets		2,090	2,906	93	140
Investments in subsidiaries		–	–	310,958	310,983
Investment in an associate	11	6,716	20,897	6,716	20,897
Deferred tax assets	7	978	2,106	–	–
Other receivables		–	–	6,426	6,426
Other non-financial assets		49	115	15	77
<b>Total non-current assets</b>		<b>186,925</b>	<b>215,002</b>	<b>324,709</b>	<b>339,158</b>
<b><u>Current assets</u></b>					
Inventories		10,320	11,075	–	–
Trade and other receivables		39,908	37,534	18,604	17,161
Other non-financial assets		1,767	1,775	154	154
Cash and cash equivalents		69,937	51,184	21,965	23,193
<b>Total current assets</b>		<b>121,932</b>	<b>101,568</b>	<b>40,723</b>	<b>40,508</b>
<b>Total assets</b>		<b>308,857</b>	<b>316,570</b>	<b>365,432</b>	<b>379,666</b>
<b>EQUITY AND LIABILITIES</b>					
<b><u>Equity</u></b>					
Share capital	12	445,723	445,473	445,723	445,473
Accumulated losses		(143,083)	(140,268)	(136,899)	(123,801)
(Adverse balance) / other reserves		(37,744)	(38,180)	52,612	53,257
<b>Equity attributable to owners of the Company</b>		<b>264,896</b>	<b>267,025</b>	<b>361,436</b>	<b>374,929</b>
Non-controlling interests		1	–*	–	–
<b>Total equity</b>		<b>264,897</b>	<b>267,025</b>	<b>361,436</b>	<b>374,929</b>
<b><u>Non-current liabilities</u></b>					
Deferred tax liabilities		346	519	–	–
Lease liabilities		10,945	17,504	246	469
Other financial liabilities	13	–	339	–	339
<b>Total non-current liabilities</b>		<b>11,291</b>	<b>18,362</b>	<b>246</b>	<b>808</b>
<b><u>Current liabilities</u></b>					
Income tax payable		425	335	–	–
Trade and other payables		25,214	23,147	3,173	3,034
Lease liabilities		6,691	7,020	238	214
Other financial liabilities	13	339	681	339	681
<b>Total current liabilities</b>		<b>32,669</b>	<b>31,183</b>	<b>3,750</b>	<b>3,929</b>
<b>Total liabilities</b>		<b>43,960</b>	<b>49,545</b>	<b>3,996</b>	<b>4,737</b>
<b>Total equity and liabilities</b>		<b>308,857</b>	<b>316,570</b>	<b>365,432</b>	<b>379,666</b>

\* Representing amount less than RMB1,000

## Aoxin Q & M Dental Group Limited

### Condensed Interim Statements of Changes in Equity

<b>Group</b>	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 interest RMB'000
<b>Current year</b>									
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/ (loss) for the year	(1,711)	(1,712)	—	(1,761)	—	—	—	49	1
Transfer to statutory reserve	—	—	—	(1,054)	—	1,054	—	—	—
Share-based payments <sup>(a)</sup>	(667)	(667)	—	—	—	—	(667)	—	—
Issuance of new shares	250	250	250	—	—	—	—	—	—
Closing balance at 31 December 2024	<u>264,897</u>	<u>264,896</u>	<u>445,723</u>	<u>(143,083)</u>	<u>(71,920)</u>	<u>10,123</u>	<u>6,736</u>	<u>17,317</u>	<u>1</u>
<b>Previous year</b>									
Opening balance at 1 January 2023	310,526	310,526	445,473	(92,662)	(71,920)	8,763	7,282	13,590	—*
Total comprehensive income/ (loss) for the year	(43,622)	(43,622)	—	(47,300)	—	—	—	3,678	—*
Transfer to statutory reserve	—	—	—	(306)	—	306	—	—	—
Share-based payments	121	121	—	—	—	—	121	—	—
Closing balance at 31 December 2023	<u>267,025</u>	<u>267,025</u>	<u>445,473</u>	<u>(140,268)</u>	<u>(71,920)</u>	<u>9,069</u>	<u>7,403</u>	<u>17,268</u>	<u>—*</u>

\* Representing amount less than RMB1,000

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

<b>Company</b>	Total equity RMB'000	Share capital RMB'000	Accumulated losses RMB'000	Share-based payment reserve RMB'000	Foreign currency translation reserve RMB'000
<b>Current year</b>					
Opening balance at 1 January 2024	374,929	445,473	(123,801)	7,403	45,854
Total comprehensive income/ (loss) for the year	(13,076)	–	(13,098)	–	22
Share-based payments <sup>(a)</sup>	(667)	–	–	(667)	–
Issuance of new shares	250	250	–	–	–
Closing balance at 31 December 2024	<u>361,436</u>	<u>445,723</u>	<u>(136,899)</u>	<u>6,736</u>	<u>45,876</u>
<b>Previous year</b>					
Opening balance at 1 January 2023	406,093	445,473	(76,184)	7,282	29,522
Total comprehensive income/ (loss) for the year	(31,285)	–	(47,617)	–	16,332
Share-based payments	121	–	–	121	–
Closing balance at 31 December 2023	<u>374,929</u>	<u>445,473</u>	<u>(123,801)</u>	<u>7,403</u>	<u>45,854</u>

**Note:**

<sup>(a)</sup> Unvested shares awarded had lapsed as the clinic where the employee is operating has ceased operation at end of October 2024 and the employee has left the Group.

## Condensed Interim Consolidated Statements of Cash Flows

	Group			<b>Audited</b> <b>FY2023</b> <b>RMB'000</b>
	<b>Unaudited</b> <b>2H2024</b> <b>RMB'000</b>	<b>Unaudited</b> <b>2H2023</b> <b>RMB'000</b>	<b>Unaudited</b> <b>FY2024</b> <b>RMB'000</b>	
<b><u>Cash flows from operating activities</u></b>				
Loss before tax	(7,726)	(42,965)	(334)	(44,139)
Depreciation of plant and equipment	3,587	4,824	7,485	9,867
Amortisation of intangible assets	377	528	876	1,016
Depreciation of right-of-use assets	3,344	3,491	6,604	6,949
Plant and equipment written-off	575	585	576	595
Gain on remeasurement/derecognised of right-of-use assets and lease liabilities	(347)	(1,555)	(465)	(1,528)
Net reversal for impairment on trade receivables	(39)	(554)	(13)	(463)
Unrealised foreign exchange gains	(9)	(195)	(1)	476
Interest expense	727	836	1,489	1,797
Share-based payments	(418)	121	(418)	121
Impairment loss on investment in an associate	–	46,869	–	46,869
Impairment loss on plant and equipment	–	962	–	962
Inventories written-down	69	589	70	615
Share of results of associate	16,914	988	14,237	(1,061)
Operating cash flows before changes in working capital	17,054	14,524	30,106	22,076
Inventories	1,835	139	684	(577)
Trade and other receivables	(5,470)	470	(2,362)	(3,214)
Other non-financial assets	(105)	897	54	(154)
Trade and other payables	6,234	764	2,067	1
Net cash flows from operations	19,548	16,794	30,549	18,132
Income taxes paid	(169)	(4)	(359)	(284)
Net cash flows from operating activities	19,379	16,790	30,190	17,848
<b><u>Cash flows (used in)/ generated from investing activities</u></b>				
Acquisition of plant and equipment	(1,414)	(2,090)	(2,093)	(3,844)
Acquisition of intangible assets - software	–	(19)	(60)	(19)
Dividend received from an associate	–	10,497	–	10,497
Net cash flows (used in)/generated from investing activities	(1,414)	8,388	(2,153)	6,634
<b><u>Cash flows used in financing activities</u></b>				
Repayments of bank loans and bill payable	(345)	(2,534)	(684)	(3,255)
Interest expense paid	(6)	9	(16)	(76)
Payment of principal portion of lease liabilities	(4,720)	(4,848)	(7,109)	(8,563)
Payment of interest portion of lease liabilities	(721)	(845)	(1,473)	(1,721)
Net cash flows used in financing activities	(5,792)	(8,218)	(9,282)	(13,615)
<b>Net increase in cash and cash equivalents</b>	12,173	16,960	18,755	10,867
Cash and cash equivalents, beginning balance	57,775	34,224	51,184	39,429
Effect of foreign exchange rate changes on cash and cash equivalents	(11)	–	(2)	888
<b>Cash and cash equivalents, ending balance</b>	69,937	51,184	69,937	51,184



## Notes to the Condensed Interim Consolidated Financial Statements For The Financial Year Ended 31 December 2024

### 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 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 information in these financial statements are rounded to the nearest thousand (“RMB’000”), 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 3 on financial information by operating segments.

The latest audited annual financial statements for the reporting year ended 31 December 2023 were not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

#### Basis of preparation

These condensed interim consolidated 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 Committee under Accounting and Corporate Regulatory Authority (“**ASC**”). They are also in compliance with the International Financial Reporting Standards issued by the International Accounting Standards Board.

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 2023. The Group has adopted all the new and revised SFRS (I) that are relevant to its operations and effective for the current reporting 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 of the Company. 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 audit annual financial statements. Accordingly, these financial statements are to be read in conjunction with the Group’s annual financial statements for the reporting year ended 31 December 2023. The Company’s separate financial statements have been prepared on the same basis.

## 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 for the reporting year ended 31 December 2023.

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 values 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 write-down of inventories
- Assessment of impairment of trade receivables
- Assessment of deferred income tax

## 2. Seasonal operations

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

## 3. Financial information by operating segments

### 3A. Information about reportable segment profit or loss, assets and liabilities

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; and
- (iii) Laboratory services comprising the manufacturing of porcelain crown, bridges and dentures.

## Aoxin Q & M Dental Group Limited

### 3B. Profit or loss for the year and reconciliations

	<u>Primary healthcare</u>		<u>Distribution of dental equipment and supplies</u>		<u>Laboratory services</u>		<u>Consolidated</u>	
	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000
<b>Revenue</b>								
Revenue from external customers (Note 4)	119,254	115,887	41,639	42,151	22,829	19,217	183,722	177,255
Inter-segment revenue	<u>34,331</u>	<u>23,887</u>	<u>10,711</u>	<u>7,978</u>	<u>12,804</u>	<u>19,017</u>	<u>57,846</u>	<u>50,882</u>
Total revenue	<u>153,585</u>	<u>139,774</u>	<u>52,350</u>	<u>50,129</u>	<u>35,633</u>	<u>38,234</u>	<u>241,568</u>	<u>228,137</u>
Segment results excludes								
Unallocated corporate expenses	34,925	27,727	474	86	(12,533)	(43,720)	22,866	(15,907)
Unallocated corporate expenses							(6,746)	(8,603)
Finance costs							(1,489)	(1,797)
Depreciation of plant and equipment							(7,485)	(9,867)
Depreciation of right-of-use assets							(6,604)	(6,949)
Amortisation of intangible assets							(876)	(1,016)
Loss before income tax							<u>(334)</u>	<u>(44,139)</u>
Income tax expense							<u>(1,426)</u>	<u>(3,161)</u>
<b>Loss, net of tax</b>							<u>(1,760)</u>	<u>(47,300)</u>
<b>Additions to non-current assets</b>								
Property, plant and equipment	<u>1,441</u>	<u>1,944</u>	<u>17</u>	<u>1,213</u>	<u>635</u>	<u>687</u>	<u>2,093</u>	<u>3,844</u>
<b>Other material non-cash items</b>								
Depreciation of plant and equipment	6,618	8,614	18	36	849	1,217	7,485	9,867
Depreciation of right-of-use assets	6,235	6,524	115	70	254	355	6,604	6,949
Amortisation of intangible assets	403	545	42	42	431	429	876	1,016
Plant and equipment written-off	576	528	–	–	–	67	576	595
Impairment loss on investment in associate	–	–	–	–	–	46,869	–	46,869
Impairment on trade receivables - (reversal)/allowance	(28)	4	(40)	(141)	55	(326)	(13)	(463)
Share-based payment - (reversal)/expense	<u>(418)</u>	<u>121</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(418)</u>	<u>121</u>
<b>Segment assets</b>	<u>256,024</u>	<u>250,525</u>	<u>19,345</u>	<u>18,697</u>	<u>33,488</u>	<u>47,348</u>	<u>308,857</u>	<u>316,570</u>
<b>Segment liabilities</b>	<u>34,963</u>	<u>40,466</u>	<u>3,784</u>	<u>5,051</u>	<u>5,213</u>	<u>4,028</u>	<u>43,960</u>	<u>49,545</u>

## Aoxin Q & M Dental Group Limited

### 3B. Profit or loss for the second half year and reconciliations

	<u>Primary healthcare</u>		<u>Distribution of dental equipment and supplies</u>		<u>Laboratory services</u>		<u>Consolidated</u>	
	<u>2H2024</u>	<u>2H2023</u>	<u>2H2024</u>	<u>2H2023</u>	<u>2H2024</u>	<u>2H2023</u>	<u>2H2024</u>	<u>2H2023</u>
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
<b>Revenue</b>								
Revenue from external customers (Note 4)	62,273	65,256	23,971	21,162	12,034	10,262	98,278	96,680
Inter-segment revenue	<u>17,525</u>	<u>14,932</u>	<u>5,537</u>	<u>4,499</u>	<u>5,863</u>	<u>9,453</u>	<u>28,925</u>	<u>28,884</u>
Total revenue	<u>79,798</u>	<u>80,188</u>	<u>29,508</u>	<u>25,661</u>	<u>17,897</u>	<u>19,715</u>	<u>127,203</u>	<u>125,564</u>
Segment results excludes								
unallocated corporate expense	19,474	17,125	364	307	(16,164)	(46,759)	3,674	(29,327)
Unallocated corporate expense							(3,365)	(3,959)
Finance costs							(727)	(836)
Depreciation of plant and equipment							(3,587)	(4,824)
Depreciation of right-of-use assets							(3,344)	(3,491)
Amortisation of intangible assets							<u>(377)</u>	<u>(528)</u>
Loss before income tax							<u>(7,726)</u>	<u>(42,965)</u>
Income tax expense							<u>(1,368)</u>	<u>(3,181)</u>
<b>Loss, net of tax</b>							<u>(9,094)</u>	<u>(46,146)</u>
<b>Additions to non-current assets</b>								
Property, plant and equipment	<u>879</u>	<u>525</u>	<u>17</u>	<u>1,213</u>	<u>518</u>	<u>352</u>	<u>1,414</u>	<u>2,090</u>
<b>Other material non-cash items</b>								
Depreciation of plant and equipment	3,215	4,224	(45)	27	417	573	3,587	4,824
Depreciation of right-of-use assets	3,146	3,275	56	39	142	177	3,344	3,491
Amortisation of intangible assets	140	293	22	21	215	214	377	528
Plant and equipment written-off	575	518	–	–	–	67	575	585
Impairment loss on investment in associate	–	–	–	–	–	46,869	–	46,869
Impairment on trade receivables - allowance/(reversal)	–	5	(77)	(26)	38	(533)	(39)	(554)
Share-based payment - (reversal)/expense	<u>(418)</u>	<u>121</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>–</u>	<u>(418)</u>	<u>121</u>
<b>Segment assets</b>	<u>256,024</u>	<u>250,525</u>	<u>19,345</u>	<u>18,697</u>	<u>33,488</u>	<u>47,348</u>	<u>308,857</u>	<u>316,570</u>
<b>Segment liabilities</b>	<u>34,963</u>	<u>40,466</u>	<u>3,784</u>	<u>5,051</u>	<u>5,213</u>	<u>4,028</u>	<u>43,960</u>	<u>49,545</u>

## 3C. Geographical information

	<b>Group</b>			
	<b><u>2H2024</u></b> RMB'000	<b><u>2H2023</u></b> RMB'000	<b><u>FY2024</u></b> RMB'000	<b><u>FY2023</u></b> RMB'000
Revenue				
China	96,818	96,385	181,134	176,960
Singapore	1,460	295	2,588	295
Total	<u>98,278</u>	<u>96,680</u>	<u>183,722</u>	<u>177,255</u>

	<b>Group</b>	
	<b><u>FY2024</u></b> RMB'000	<b><u>FY2023</u></b> RMB'000
Non-current assets		
China	179,600	193,253
Singapore	7,325	21,749
Total	<u>186,925</u>	<u>215,002</u>

## 4. Revenue

	<b>Group</b>			
	<b><u>2H2024</u></b> RMB'000	<b><u>2H2023</u></b> RMB'000	<b><u>FY2024</u></b> RMB'000	<b><u>FY2023</u></b> RMB'000
<u>Revenue classified by nature type</u>				
Rendering of services	56,069	60,906	107,799	108,795
Sale of goods	23,971	21,162	41,639	42,151
Laboratory services	12,034	10,262	22,829	19,217
Management fee income	6,125	3,656	11,146	5,852
Leasing income	58	534	274	1,068
Other income	21	160	35	172
Total revenue	<u>98,278</u>	<u>96,680</u>	<u>183,722</u>	<u>177,255</u>
<u>Revenue classified by timing of revenue recognition</u>				
Point in time	92,095	92,490	172,302	170,335
Over time	6,183	4,190	11,420	6,920
	<u>98,278</u>	<u>96,680</u>	<u>183,722</u>	<u>177,255</u>

## 5. Other income and gains and (other losses)

	<u>Group</u>			
	<u>2H2024</u>	<u>2H2023</u>	<u>FY2024</u>	<u>FY2023</u>
	RMB'000	RMB'000	RMB'000	RMB'000
Bad debts written-off	(56)	(315)	(56)	(315)
Foreign exchange adjustment gains/(losses), net	35	(81)	38	(1,042)
Government grant income	1,296	849	2,053	948
Reversal of prior year's profit guarantee income	–	(260)	–	(260)
Rental discount /waiver	516	160	740	335
Gain on remeasurement/de-recognition of right-of-use assets	347	1,555	465	1,528
Non-trade payables written-off	2	29	155	161
Inventories written-down	(69)	(589)	(70)	(615)
Other losses	(27)	(71)	(52)	(78)
Compensation on early termination of lease	(58)	–	(58)	–
Compensation received from insurance	41	–	41	–
Other gains	4	–	20	1
Impairment loss on plant and equipment	–	(962)	–	(962)
Plant and equipment written-off	(575)	(585)	(576)	(595)
Net	<u>1,456</u>	<u>(270)</u>	<u>2,700</u>	<u>(894)</u>
Presented in profit or loss as:				
Other income and gains	2,241	2,593	3,512	2,973
Other losses	(785)	(2,863)	(812)	(3,867)
	<u>1,456</u>	<u>(270)</u>	<u>2,700</u>	<u>(894)</u>

## 6. Finance costs

	<u>Group</u>			
	<u>2H2024</u>	<u>2H2023</u>	<u>FY2024</u>	<u>FY2023</u>
	RMB'000	RMB'000	RMB'000	RMB'000
Interest on borrowings	6	(9)	16	76
Interest on lease liabilities	721	845	1,473	1,721
	<u>727</u>	<u>836</u>	<u>1,489</u>	<u>1,797</u>

**7. Income tax**

	<b>Group</b>			
	<b><u>2H2024</u></b> RMB'000	<b><u>2H2023</u></b> RMB'000	<b><u>FY2024</u></b> RMB'000	<b><u>FY2023</u></b> RMB'000
<b><u>Current tax expense</u></b>				
Current tax expense	296	294	498	339
Under provision in respect of prior years	–	–	55	–
Subtotal	<u>296</u>	<u>294</u>	<u>553</u>	<u>339</u>
<b><u>Deferred tax expense</u></b>				
Deferred tax expense	<u>1,056</u>	<u>2,842</u>	<u>955</u>	<u>2,741</u>
<b><u>Withholding tax expense</u></b>				
Current withholding tax expense	16	45	29	81
Over provision in respect of prior years	–	–	(111)	–
Subtotal	<u>16</u>	<u>45</u>	<u>(82)</u>	<u>81</u>
Total income tax expense	<u><u>1,368</u></u>	<u><u>3,181</u></u>	<u><u>1,426</u></u>	<u><u>3,161</u></u>

There are no income tax consequences of dividends to owners of the Company.

Subject to the agreement by the tax authorities, the Group and the Company have unutilised tax losses of approximately RMB18.1 million and nil (2023: RMB42.5 million and nil) respectively at the reporting date available for offset against future profits.

As at 31 December 2024, no deferred tax liability has been recognised for withholding tax that would be payable on the undistributed profits of the PRC subsidiaries as management has decided these PRC subsidiaries will not distribute these profits in the foreseeable future.

**8. Earnings per share (loss)**

	<b>Group</b>			
	<b><u>2H2024</u></b> RMB cents	<b><u>2H2023</u></b> RMB cents	<b><u>FY2024</u></b> RMB cents	<b><u>FY2023</u></b> RMB cents
Basic loss per share	(1.78)	(9.03)	(0.34)	(9.25)
Diluted loss per share <sup>(a)</sup>	(1.78)	(9.03)	(0.34)	(9.25)
<b>Weighted average number of share:-</b>				
Basic and diluted	<u>511,291,824</u>	<u>511,288,635</u>	<u>511,291,824</u>	<u>511,288,635</u>

The loss per share is computed by dividing the loss net of tax attributable to owners of the Company against the weighted average number of shares for the respective reporting periods.

<sup>(a)</sup> The basic and diluted loss per share are the same as there were no other outstanding convertibles or other dilutive equity instruments.

- 9.** During the year, the Group acquired property, plant and equipment amounting to RMB2,093,000 (FY2023: RMB3,844,000) and wrote off property, plant and equipment with carrying value of RMB576,000 (FY2023: RMB595,000). There was no impairment and disposal of property, plant and equipment during the year (FY2023: RMB962,000 and nil).

## 10. Goodwill

There was no movement in the carrying amount of goodwill during the reporting period.

The cash flow forecasts have been used to perform impairment assessment of goodwill, property, plant and equipment, right-of-use assets and investments in subsidiaries. Since the beginning of the reporting period, there were no significant changes in the circumstances and key assumptions used in the cash flow forecasts. No impairment loss was recognised as the recoverable amounts were higher than the carrying values of these assets at the end of the reporting year.

## 11. Investment in an associate

	<u>Group</u>		<u>Company</u>	
	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000
Unquoted equity shares	6,716	20,897	6,716	20,897
Balance at beginning of the year	20,897	74,832	20,897	74,832
Foreign exchange adjustments	56	2,370	56	2,191
Share of results for the year	(14,237)	1,061	–	–
Dividends	–	(10,497)	–	–
Impairment loss	–	(46,869)	(14,237)	(56,126)
Balance at end of the year	6,716	20,897	6,716	20,897

The carrying value of the investment of an associate was tested for impairment as at 31 December 2024. No further impairment is required in FY2024 as the net asset value of the associate is approximately the carrying amount of the cost of investment in an associate.

In FY2023, the net asset value of the associate was significantly lower than the carrying amount of the cost of investment in an associate. Based on the result of the impairment test, the carrying value of investment in an associate of the Group and of the Company were written down by RMB46,869,000 and RMB56,126,000 respectively.

## 12. Share capital

	<b>Group and Company</b>	
	<u>Number</u> <u>of shares</u> '000	<u>Share</u> <u>Capital</u> RMB'000
<u>Ordinary shares</u>		
Balance as at 1 January 2023, 31 December 2023, 1 January 2024 and 30 June 2024	511,289	445,473
Issuance of new shares <sup>(a)</sup>	233	250
Balance as at 31 December 2024	511,522	445,723

(a) On 24 December 2024, pursuant to the performance shares granted under the Aoxin Q & M Performance Share Plan, the Company issued 233,413 new ordinary shares amounting to RMB250,000 to Dr Yang Li. These shares are held in trust by Honour Pte. Ltd. as Dr Yang Li is a PRC national.

### Share options

As at 31 December 2024, there were no outstanding share options (2023: Nil).



**12. Share capital (cont'd)**

Share awards

As at 31 December 2024, the total number of share awards outstanding under Aoxin Q & M Performance Share Plan was nil (2023: 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.

On 24 December 2024, the Company issued 233,413 ordinary shares pursuant to the Performance Share Plan. The remaining 727,152 performance shares awarded had lapsed as the clinic where the employee is operating has ceased operation at end of October 2024 and the employee has left the Group.

As at 31 December 2024, the issued and paid-up share capital excluding treasury shares of the Company comprised 511,522,048 (2023: 511,288,635) ordinary shares.

Save as disclosed above, there were no subsidiary holdings, treasury shares or outstanding convertibles as at 31 December 2024 and 31 December 2023.

**13. Other financial liabilities – borrowings and debt securities**

	<u>Unsecured</u>	
	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000
<u>Group and Company</u>		
Repayable in one year or less, or on demand:		
Bank loan	339	681
Repayable after one year:		
Bank loan	–	339
Total	339	1,020

The unsecured bank loan of RMB339,000 (2023: RMB1,020,000) is a 5-year temporary bridging loan (“TBL”) extended by a bank in Singapore. The TBL shall be repaid over 60 monthly instalments with fixed interest rate of 2.25% (2023: 2.25%) per annum.

**14. Net assets value**

	<u>Group</u>		<u>Company</u>	
	<u>FY2024</u> RMB cents	<u>FY2023</u> RMB cents	<u>FY2024</u> RMB cents	<u>FY2023</u> RMB cents
Net assets value per ordinary share	51.8	52.2	70.7	73.3

The net asset value per ordinary share of the Group and of the Company have been calculated based on the total issued number of ordinary shares of 511,522,048 as at 31 December 2024 (31 December 2023: 511,288,635).

## 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 year, certain subsidiaries in the Group 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 year as follows:

	<u>Group</u>		<u>Company</u>	
	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000
Carrying values of right-of-use assets	<u>3,175</u>	<u>4,154</u>	<u>489</u>	<u>614</u>

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

	<u>Group</u>	
	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000
Revenue from laboratory services	2,588	295
Management fee	(467)	–
Rental expenses	<u>(201)</u>	<u>–</u>

## 16. Categories of financial assets and liabilities

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

	<u>Group</u>		<u>Company</u>	
	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000	<u>FY2024</u> RMB'000	<u>FY2023</u> RMB'000
Financial assets at amortised cost	<u>109,845</u>	<u>88,718</u>	<u>46,995</u>	<u>46,780</u>
Financial liabilities at amortised cost	<u>40,840</u>	<u>46,366</u>	<u>3,996</u>	<u>4,737</u>

## 17. Contingent liabilities and contingent assets

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

## 18. Capital commitments

As at 31 December 2024, there was no committed future capital expenditure not recognised in the financial statements (31 December 2023: nil).

**19. Dividends on equity shares**

No dividend has been declared or recommended during the current reporting period and previous corresponding period as the Group is conserving cash for working capital needs.

**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 the Group and of the Company as at 31 December 2024 and the related condensed interim consolidated statement profit or loss and other comprehensive income, condensed interim consolidated statement of changes in equity and condensed interim consolidated statement of cash flows of the Group, and statement of changes in equity of the Company for the reporting year ended and certain explanatory notes have not been audited or reviewed by the Company's auditors.

**2. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business****FY2024 vs FY2023****Statement of Profit or Loss and Other Comprehensive Income****Revenue**

The Group's revenue increased by RMB6.4 million or 3.6% from RMB177.3 million for the financial year ended 31 December 2023 ("FY2023") to RMB183.7 million for the financial year ended 31 December 2024 ("FY2024").

Revenue from primary healthcare segment increased by 2.9% from RMB115.9 million in FY2023 to RMB119.3 million in FY2024. 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 decreased by 1.2% from RMB42.2 million in FY2023 to RMB41.6 million in FY2024. This was mainly due to lower demand for dental equipment from government hospitals due to a reduction in government capital expenditure budget.

Revenue from laboratory services segment increased by 18.8% from RMB19.2 million in FY2023 to RMB22.8 million in FY2024. The increase was mainly due to business expansion from China to Singapore.

**Other Income and Gains**

Other income and gains increased by 18.1% or RMB0.5 million from RMB3.0 million in FY2023 to RMB3.5 million in FY2024 mainly due to higher government grant/incentive and higher rental discount/waiver received from the landlords.

**Expenses****Cost of consumables and dental supplies**

Consumables and dental supplies used increased by 3.1% from RMB16.8 million in FY2023 to RMB17.3 million in FY2024, which was in line with the increase in revenue from the primary healthcare segment.

As a percentage of revenue from the primary healthcare segment, cost of consumables and dental supplies used in FY2024 and FY2023 were 14.5%.

**Cost of sales in dental equipment and supplies**

Cost of sales in dental equipment and supplies decreased by 2.3% from RMB36.5 million in FY2023 to RMB35.7 million in FY2024, which was due to decrease 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 FY2024 was 85.7% as compared to 86.6% in FY2023.

**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 increased by RMB0.5 million or 11.3% to RMB5.2 million in FY2024. The increase was mainly due to the 18.8% increase in revenue from laboratory services segment.

As a percentage of revenue from the laboratory services segment, cost of laboratory services was 22.9% in FY2024 as compared to 24.4% in FY2023. The higher gross profit margin for FY2024 was mainly due to material cost and inventory control.

Employee benefits expenses

Employee benefits expense increased by 3.3% from RMB76.9 million in FY2023 to RMB79.4 million in FY2024.

As a percentage of revenue, employee benefits expense was 43.2% in FY2024 as compared to 43.4% in FY2023.

Depreciation and amortisation expenses

Depreciation and amortisation expenses decreased by 23.2% from RMB10.9 million in FY2023 to RMB8.4 million in FY2024. The decrease was mainly due to certain property, plant and equipment were fully depreciated in FY2023.

Impairment loss on investment in an associate

In FY2024, no impairment loss on investment in an associate as the net asset value of the associate is approximately the carrying amount of the cost of investment in an associate. In FY2023, the impairment loss of RMB46.9 million was provided due to weak performance of associate arising from the relaxing of Covid-19 control measures in many countries including Singapore.

Other expenses

Other expenses decreased by 10.7% or RMB2.2 million from RMB20.8 million in FY2023 to RMB18.6 million in FY2024. The decrease was mainly due to decrease in professional fee to dentists, advertisement fee, motor vehicle expenses and entertainment expenses.

As a percentage of revenue, other expenses in FY2024 decreased to 10.1% from 11.7% in FY2023.

Other losses

Other losses decreased RMB3.1 million from RMB3.9 million in FY2023 to RMB0.8 million in FY2024. The decrease in other losses was mainly due to the reduction in foreign exchange adjustment losses, impairment loss on plant and equipment, inventories write down, bad debts written-off and reversal of prior year's profit guarantee income.

Share of results of associate

Share of results of associate decreased from profit of RMB1.1 million in FY2023 to a loss of RMB14.2 million in FY2024. The decrease was largely due to the impairment of assets held by the associate as a result of expiry of laboratory licence and cessation of government contract for Covid-19 vaccination.

Income tax expense

The tax expense was RMB1.4 million in FY2024 as compared to RMB3.2 million in FY2023. The lower tax expense in FY2024 as compared to prior year was largely due to adjustments were made in FY2023 on changes in tax rates on deferred tax balance recognised.

**Loss, net of tax**

For the reasons given above, the Group recorded a net loss of RMB1.8 million in FY2024 as compared to a net loss of RMB47.3 million in FY2023. Profit/(loss) net of tax excluding impairment loss on investment in an associate and share of results of associate for FY2024 was profit of RMB12.5 million as compared to a loss of RMB1.5 million in FY2023.

**2. A review of the performance of the Group, to the extent necessary for a reasonable understanding of the Group's business (cont'd)****2H2024 vs 2H2023****Statement of Profit or Loss and Other Comprehensive Income****Revenue**

The Group's revenue increased by RMB1.6 million or 1.7%, from RMB96.7 million for the six months ended 31 December 2023 ("2H2023") to RMB98.3 million in 2H2024.

Revenue for primary healthcare segment decreased by 4.6%, from RMB65.3 million in 2H2023 to RMB62.3 million in 2H2024.

Revenue from distribution of dental equipment and supplies segment increased by 13.3%, from RMB21.2 million in 2H2023 to RMB24.0 million in 2H2024 while laboratory services segment increased by 17.3%, from RMB10.3 million to RMB12.0 million. The increase in revenue from laboratory services segment was mainly due to business expansion from China to Singapore.

**Expenses****Cost of consumables and dental supplies**

Consumables and dental supplies used decreased by 10.0% from RMB9.9 million in 2H2023 to RMB8.9 million in 2H2024.

As a percentage of revenue from the primary healthcare segment, cost of consumables and dental supplies used in 2H2024 was 14.4% as compared to 15.2% in 2H2023.

**Cost of sales in dental equipment and supplies**

Cost of sales in dental equipment and supplies increased by 14.0% from RMB18.3 million in 2H2023 to RMB20.9 million in 2H2024.

As a percentage of revenue from the distribution of dental equipment and supplies segment, cost of sales in dental equipment and supplies in 2H2024 was 87.2% as compared to 86.7% in 2H2023. The lower gross profit margin was mainly due to lower sales of dental equipment with higher gross profit margin contribution.

**Cost of laboratory services**

Cost of laboratory services decreased by 7.9% from RMB2.8 million in 2H2023 to RMB2.6 million in 2H2024.

As a percentage of revenue from the laboratory services segment, cost of laboratory services was 21.4% in 2H2024 as compared to 27.2% in 2H2023. Higher gross margin was mainly due to better material cost and inventory control.

**Depreciation and amortisation expenses**

Depreciation and amortisation expenses decreased by 25.9% from RMB5.4 million in 2H2023 to RMB4.0 million in 2H2024. The decrease was mainly due to certain property, plant and equipment were fully depreciated in the 2H2023.

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

Impairment loss on investment in an associate

In 2H2024, no impairment loss on investment in an associate as the net asset value of the associate is approximately the carrying amount of the cost of investment in an associate. In 2H2023, the impairment loss of RMB46.9 million was provided due to weak performance of associate arising from the relaxing of Covid-19 control measures in many countries including Singapore.

Other expenses

Other expenses decreased by 12.5% from RMB11.6 million in 2H2023 to RMB10.1 million in 2H2024. The decrease was mainly due to decrease in professional fee to dentists.

As a percentage of revenue, other expenses in 2H2024 decreased to 10.3% from 12.0% in 2H2023.

Other losses

Other losses decreased by RMB2.1 million from RMB2.9 million in 2H2023 to RMB0.8 million in 2H2024. The increase in other losses was mainly due to the reduction in impairment loss on plant and equipment, inventories write down, bad debts written off and reversal of prior year's profit guarantee income.

Share of results of associate

Share of results of associate was a loss of RMB16.9 million in 2H2024 as compared to a loss of RMB1.0 million in 2H2023. The increase of loss mainly due to the impairment of assets held by the associate as a result of expiry of lab licence and cessation of government contract for Covid-19 vaccination.

Income tax expense

The tax expense was RMB1.4 million in 2H2024 as compared to RMB3.2 million in 2H2023. The lower tax expense in FY2024 as compared to prior year was largely due to adjustments were made in FY2023 on changes in tax rates on deferred tax balance recognised.

**Loss, net of tax**

For the reasons given above, the Group recorded a net loss of RMB9.1 million in 2H2024 as compared to a net loss of RMB46.1 million in 2H2023. Profit, net of tax excluding impairment loss on investment in an associate and share of results of associate for 2H2024 was RMB7.8 million as compared to RMB1.7 million in 2H2023.

**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 position as at 31 December 2024 and 31 December 2023.

**Non-Current Assets**

Property, plant and equipment decreased by RMB6.0 million, from RMB34.4 million as at 31 December 2023 to RMB28.4 million as 31 December 2024. The decrease was mainly due to depreciation during the year.

Right-of-use ("ROU") assets decreased by RMB6.0 million, from RMB29.4 million as at 31 December 2023 to RMB23.4 million as at 31 December 2024, mainly due to depreciation of ROU assets. The Group's ROU assets are related to premises leased by the Group for its dental centres and business units.

Investment in an associate decreased by RMB14.2 million from RMB20.9 million as at 31 December 2023 to RMB6.7 million as at 31 December 2024 due to share of loss amounting to RMB14.2 million.

Deferred tax assets decreased by RMB1.1 million due to utilisation of prior years' unutilised losses and expiry of unutilised losses which had previously recognised as deferred tax assets.

**Current Assets**

Trade and other receivables increased by RMB2.4 million, from RMB37.5 million as at 31 December 2023 to RMB39.9 million as at 31 December 2024. The increase was largely due to an increase in trade receivables from primary healthcare as a result of higher revenue from the segment.

Cash and cash equivalents increased by RMB18.7 million, from RMB51.2 million as at 31 December 2023 to RMB69.9 million as at 31 December 2024. For details on fluctuation of cash and cash equivalents, please refer to the cash flow movements analysis below.

**Non-Current Liabilities**

Lease liabilities decreased by RMB6.6 million, from RMB17.5 million as at 31 December 2023 to RMB10.9 million as at 31 December 2024 due to payment of lease liabilities.

**Current Liabilities**

Trade and other payables increased by RMB2.1 million, mainly due to accrual of employee costs and other operating expenses.



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

**FY2024 vs FY2023**

**Statement of Cash Flows**

The Group's net cash flows generated from operating activities in FY2024 was RMB30.2 million. This was mainly attributable to operating cash inflows before changes in working capital of RMB30.1 million and increase in trade and other payables of RMB2.1 million and partially offset by increase in trade and other receivables of RMB2.4 million.

Net cash used in investing activities in FY2024 was RMB2.2 million, which was mainly due to acquisition of plant and equipment for the Group's operations.

Net cash flows used in financing activities in FY2024 was RMB9.3 million, mainly due to the repayment of lease liabilities and interest as well as repayment of bank loan.

As a result of the above, the Group's cash and cash equivalents stood at RMB69.9 million as at 31 December 2024.

**2H2024 vs 2H2023**

**Statement of Cash Flows**

The Group's net cash flows generated from operating activities in 2H2024 was RMB19.4 million. This was mainly attributable to operating cash inflows before changes in working capital of RMB17.1 million and increase in trade and other payables of RMB6.2 million and partially offset by increase in trade and other receivables of RMB5.5 million.

Net cash flows used in investing activities in 2H2024 was RMB1.4 million, which was due to acquisition of plant and equipment for the Group's operations.

Net cash flows used in financing activities in 2H2024 was RMB5.8 million, mainly due to the repayment of lease liabilities and interest as well as repayment of bank loan.

As a result of the above, the Group's cash and cash equivalents stood at RMB69.9 million as at 31 December 2024.

**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**

In FY2025, the Group will strive to build upon the momentum to achieve higher revenues across all segments, while continuing to improve the quality of dental care services during and post treatment, in order to further strengthen our branding in the market.

For the next 12 months, the Group is cautiously optimistic, against the backdrop of improving consumer spending and economic activities 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.

**5. Dividend**

**(a) Current financial period reported on**

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

None.

**(b) Corresponding period of the immediately preceding financial year**

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

None.

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

Not applicable.

**(d) 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 FY2024 as the Group is conserving cash for its working capital needs.

7. **Segmented revenue and results for operating 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.**

Please refer to Note 3B to the condensed interim consolidated financial statements.

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

**Performance by business segment**

Please refer to explanation in Paragraph 2 of Other Information Required By Catalist Rule Appendix 7C in this announcement.

9. **A breakdown of sales**

In RMB'000	Group		Change %
	FY2024	FY2023	
Revenue reported for first half year	85,444	80,575	6.0
Profit/(Loss) after tax reported for first half year	7,334	(1,154)	NM
Revenue reported for second half year	98,278	96,680	1.7
Loss after tax reported for second half year	(9,094)	(46,146)	(80.3)

*NM: Not meaningful.*

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

Not applicable. No dividend has been declared or recommended for FY2024 and FY2023.

11. **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 FY2024, 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)
Shao LiHua	Sister of Dr Shao YongXin, Executive Director and Group Chief Executive Officer of the Company	S\$113,000*  Rental of premises at Shenyang Aoxin Q & M Stomatology Hospital Co., Ltd. and Shenyang Heping Q & M Aoxin Stomatology Polyclinic Co., Ltd.	None

**11. Interested person transactions (cont'd)**

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 deemed controlling shareholder of the Company	S\$481,000*  Revenue from laboratory services segment	None
		S\$124,000*  Other expenses	

\* RMB5.38 to SGD1

**12. 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.

**13. 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(10) of the Catalist Rules 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
Shao LiHua	73	Sister of Dr Shao YongXin, Executive Director and Group Chief Executive Officer of the Company	Deputy Admin Manager (2014)	None

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

On 12 July 2024, Qicheng (Shenyang) Digital Intelligent Technology Co., Ltd. (启诚 (沈阳市) 数字智能科技有限公司) was incorporated. Please refer to our announcement dated 12 August 2024 for further details.

On 3 December 2024, the Company's 100% owned subsidiary, Shenyang Maotai Q & M Medical Equipment Co., Ltd. incorporated a 100% wholly owned subsidiary, Shenyang Shengtai Shenmao Trading Co., Ltd. (沈阳盛泰深茂贸易有限公司) ("**Shenyang Shengtai**"), a company incorporated in the People's Republic of China with a paid up capital of RMB250,000. The principal activity of Shenyang Shengtai includes trading of medical and dental instruments and supplies, and provision of consultancy services.

**On behalf of the board of directors**

**Dr. Shao Yongxin**  
**Executive Director and**  
**Group Chief Executive Officer**

**Mr. Chua Ser Miang**  
**Non-Executive Chairman and**  
**Independent Director**

28 February 2025