



Condensed Financial Statement And Dividend Announcement For The Year Ended 31 December 2022

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

	Note	Group					
		Fourth Quarter			Year-To-Date		
		Q4 2022 \$'000	Q4 2021 \$'000	Change %	31/12/2022 \$'000	31/12/2021 \$'000	Change %
Revenue							
Dental and Medical Clinics		43,182	43,595	(1)	160,895	160,211	-
Medical Laboratory and Dental Equipment & Supplies		4,601	9,699	(53)	20,319	45,388	(55)
Total Revenue	3	47,783	53,294	(10)	181,214	205,599	(12)
Other Items of Income							
Interest Income		16	6	167	25	11	127
Other Items of Expense							
Consumables and Supplies Used in Dental & Medical Clinics		(3,673)	(3,606)	2	(13,816)	(14,197)	(3)
Cost of Sales - Medical Laboratory and Dental Equipment & Supplies		(2,924)	(4,655)	(37)	(11,354)	(16,680)	(32)
Employee Benefits Expense		(28,728)	(30,208)	(5)	(103,612)	(102,989)	1
Depreciation and Amortisation Expense		(1,374)	(1,100)	25	(4,890)	(4,125)	19
Depreciation of Right-Of-Use Assets		(3,229)	(1,630)	98	(12,169)	(9,456)	29
Other Expenses		(3,202)	(3,870)	(17)	(11,465)	(11,712)	(2)
Finance Costs	5	(1,208)	(772)	56	(3,909)	(3,021)	29
Other (Losses) Gains - Net	4	(5,154)	(220)	NM	(5,210)	3,689	NM
Share of Loss from Equity-Accounted Associate		(175)	(357)	(51)	(537)	(465)	15
(Loss) Profit Before Tax from Continuing Operations		(1,868)	6,882	NM	14,277	46,654	(69)
Income Tax Expense	6	(338)	(2,939)	(88)	(2,421)	(7,296)	(67)
(Loss) Profit From Continuing Operations, Net of Tax		(2,206)	3,943	NM	11,856	39,358	(70)
Other Comprehensive (Loss) Income:							
Exchange Differences on Translating Foreign Operations, Net of Tax		(710)	212	NM	(2,005)	960	NM
Other Comprehensive (Loss) Income for the Period, Net of Tax		(710)	212	NM	(2,005)	960	NM
Total Comprehensive (Loss) Income for the Period		(2,916)	4,155	NM	9,851	40,318	(76)
(Loss) Profit Attributable to:							
Owners of the Parent, Net of Tax		(2,150)	3,165	NM	11,309	30,471	(63)
Non-Controlling Interests, Net of Tax		(56)	778	NM	547	8,887	(94)
(Loss) Profit, Net of Tax		(2,206)	3,943	NM	11,856	39,358	(70)
Total Comprehensive (Loss) Income Attributable to:							
Owners of the Parent		(2,840)	3,380	NM	9,378	31,443	(70)
Non-Controlling Interests		(76)	775	NM	473	8,875	(95)
Total Comprehensive (Loss) Income		(2,916)	4,155	NM	9,851	40,318	(76)

NM: Not Meaningful



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

	Note	Group					
		Fourth Quarter			Year-To-Date		
		Q4 2022 \$'000	Q4 2021 \$'000	Change %	31/12/2022 \$'000	31/12/2021 \$'000	Change %
EBITDA		3,927	10,378	(62)	35,220	63,245	(44)
Earnings Per Share							
Based on the Weighted Average Number of Ordinary ^(a) Shares on Issue – Cents		(0.23)	0.34		1.20	3.23	
Fully Diluted Basis – Cents		(0.23)	0.34		1.20	3.23	

- (a) The basic EPS for the period ended 31 December 2022 and 31 December 2021 are based on the profit attributable to equity holders of parent, net of tax and weighted average number of ordinary shares of 940,842,940 and 943,738,292 shares respectively.

	Note	Group					
		Fourth Quarter			Year-To-Date		
		Q4 2022 \$'000	Q4 2021 \$'000	Change %	31/12/2022 \$'000	31/12/2021 \$'000	Change %
Core Healthcare Business^(b):							
Revenue		46,199	45,999	-	172,131	168,454	2
PATMI ^(c)		3,415	1,613	112	17,068	15,955	7
EBITDA		9,093	8,052	13	39,473	37,283	6

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



1(b) Condensed Interim Statements of Financial Position

	Note	Group		Company	
		As at		As at	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
		\$'000	\$'000	\$'000	\$'000
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	8	36,929	32,604	989	918
Right-Of-Use Assets		52,589	51,716	1,582	1,295
Investment in Subsidiaries		-	-	61,438	61,943
Investment in Associates	9	25,191	27,044	33,383	33,383
Goodwill	10	56,582	56,597	-	-
Other Intangible Assets	11	4,604	3,580	-	-
Other Receivables		2,174	2,401	1,835	2,068
Other Assets		7,540	7,080	4,163	3,777
Total Non-Current Assets		185,609	181,022	103,390	103,384
Current Assets					
Inventories		11,091	15,892	-	-
Trade and Other Receivables		26,970	27,823	81,417	89,739
Other Assets		4,044	3,833	1,538	1,494
Cash and Cash Equivalents		39,698	47,611	5,834	2,661
Total Current Assets		81,803	95,159	88,789	93,894
Total Assets		267,412	276,181	192,179	197,278
EQUITY AND LIABILITIES					
Equity Attributable to Owners of the Parent					
Share Capital	12	86,758	86,758	86,758	86,758
Treasury Shares	12	(11,535)	(13,950)	(11,535)	(13,950)
Retained Earnings		24,163	26,006	6,902	11,961
Other Reserves, Total		(2,896)	(965)	-	-
Equity Attributable to Owners of the Parent, Total		96,490	97,849	82,125	84,769
Non-Controlling Interests		5,758	5,397	-	-
Total Equity		102,248	103,246	82,125	84,769
Non-Current Liabilities					
Provisions		767	776	-	-
Deferred Tax Liabilities		1,926	2,393	-	-
Lease Liabilities Arising from Right-Of-Use Assets		45,220	44,296	1,427	1,131
Other Financial Liabilities	13	84,577	80,176	80,620	78,408
Total Non-Current Liabilities		132,490	127,641	82,047	79,539
Current Liabilities					
Income Tax Payable		2,273	5,595	-	-
Trade and Other Payables		19,381	26,239	27,560	29,536
Lease Liabilities Arising from Right-Of-Use Assets		10,547	9,908	201	189
Other Financial Liabilities	13	473	3,552	246	3,245
Total Current Liabilities		32,674	45,294	28,007	32,970
Total Liabilities		165,164	172,935	110,054	112,509
Total Equity and Liabilities		267,412	276,181	192,179	197,278



1(c) Condensed Interim Consolidated Statement of Cash Flows

	Group			
	Fourth Quarter		Year-To-Date	
	Q4 2022	Q4 2021	31/12/2022	31/12/2021
	\$'000	\$'000	\$'000	\$'000
<u>Cash Flows From Operating Activities</u>				
(Loss) Profit Before Tax	(1,868)	6,882	14,277	46,654
Adjustments for:				
Interest Income	(16)	(6)	(25)	(11)
Interest Expense	1,208	772	3,909	3,021
(Gain) Loss on Disposal of Plant and Equipment	(6)	1	(30)	(9)
Plant and Equipment Written Off	206	110	299	216
Share of Loss from Equity – Associated Associates	175	357	537	465
Gain on Disposal of interest in Associates	-	-	-	(4,373)
Impairment of Plant and Equipment – Reversal	(8)	-	(35)	(17)
Depreciation of Property, Plant and Equipment and Amortisation Expense	1,374	1,100	4,890	4,125
Depreciation of Right-Of-Use Assets	3,229	1,630	12,169	9,456
Foreign Currency Translation Reserve	(118)	(96)	(402)	41
Operating Cash Flows Before Changes in Working Capital	4,176	10,750	35,589	59,568
Inventories	6,424	1,644	4,801	199
Trade and Other Receivables	(3,126)	7,768	1,429	(9,848)
Other non-financial assets	(48)	283	(103)	(170)
Trade and Other Payables	3,820	(1,378)	(1,960)	4,220
Provisions	(9)	-	(9)	(74)
Net Cash Flows From Operating Activities Before Interest and Tax	11,237	19,067	39,747	53,895
Income Taxes Paid	158	202	(6,196)	(3,101)
Net Cash Flows From Operating Activities	11,395	19,269	33,551	50,794
<u>Cash Flows (Used in) From Investing Activities</u>				
Purchase of Property Plant and Equipment	(1,599)	(2,888)	(9,310)	(7,799)
Purchase of Intangible Assets	(412)	28	(1,663)	(1,061)
Disposal of Plant and Equipment	53	158	206	302
Other non-financial assets	(590)	145	96	(805)
Trade and Other Receivables	38	-	(576)	375
Increase in Investment in Associate	-	-	-	(420)
Acquisition of subsidiary	-	(2,850)	-	(2,850)
Proceeds from Disposal of associate, Net of Tax and Redemption of Preference Shares	-	-	-	17,002
Other Receivables, Non-Current	101	(1,285)	227	(1,202)
Interest Received	16	6	25	11
Net Cash Flows (Used in) From Investing Activities	(2,393)	(6,686)	(10,995)	3,553
<u>Cash Flows Used in Financing Activities</u>				
Lease Liabilities – Principal Portion Paid	(3,009)	(1,283)	(11,468)	(8,787)
Lease Liabilities – Interest Paid	(438)	(422)	(1,855)	(1,599)
Finance Lease Repayment	(4)	(5)	(17)	(20)
Share buyback	-	(3,053)	-	(3,053)
Proceeds from Placement Shares	-	-	1,750	-
Repayment of Bank Loans	(614)	(96)	(900)	(1,465)
Proceeds from Term Loan	-	-	2,400	10,000
Bill Payables	(923)	78	(160)	(402)
Interest Paid	(771)	(350)	(2,055)	(1,422)
Dividends Paid to Non-Controlling Interest*	-	-	(5,012)	-
Dividends Paid to Equity Owners	-	(9,395)	(13,152)	(48,760)
Net Cash Flows Used In Financing Activities	(5,759)	(14,526)	(30,469)	(55,508)



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	Group			
	Fourth Quarter		Year-To-Date	
	Q4 2022	Q4 2021	31/12/2022	31/12/2021
	\$'000	\$'000	\$'000	\$'000
Net Increase (Decrease) in Cash and Cash Equivalents	3,243	(1,943)	(7,913)	(1,161)
Cash and Cash Equivalents, Statement of Cash Flows, Beginning Balance of the Period/Year	36,455	49,554	47,611	48,772
Cash and Cash Equivalents, Statement of Cash Flows, Ending Balance of the Period/Year	39,698	47,611	39,698	47,611
Cash and Cash Equivalents at End of Period/Year includes the following:				
Cash and Bank Balances	39,698	47,611	39,698	47,611
Cash and Cash Equivalents at End of Period/Year	39,698	47,611	39,698	47,611

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



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

	<u>Total Equity</u>	<u>Attributable to Parent Sub-Total</u>	<u>Share Capital</u>	<u>Retained Earnings</u>	<u>Treasury Shares</u>	<u>Other Reserves</u>	<u>Non-Controlling Interest</u>
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Group - Current Period							
Opening Balance at 1 January 2022	103,246	97,849	86,758	26,006	(13,950)	(965)	5,397
Movements in Equity:							
Total Comprehensive Income for the Period	9,851	9,378	-	11,309	-	(1,931)	473
Issue of Share Capital	2,415	2,415	-	-	2,415	-	-
Dividends Paid to Non-Controlling Interest	(112)	-	-	-	-	-	(112)
Dividends Paid (Note 7)	(13,152)	(13,152)	-	(13,152)	-	-	-
Closing Balance at 31 December 2022	102,248	96,490	86,758	24,163	(11,535)	(2,896)	5,758
Group - Previous Period							
Opening Balance at 1 January 2021	124,695	121,080	86,758	47,156	(10,897)	(1,937)	3,615
Movements in Equity:							
Total Comprehensive Income for the Period	40,318	31,443	-	30,471	-	972	8,875
Share Buyback	(3,053)	(3,053)	-	-	(3,053)	-	-
Decrease in Non-Controlling Interest without a change in Control	(5,054)	(1,246)	-	(1,246)	-	-	(3,808)
Dividends Paid to Non-Controlling Interest	(4,900)	(1,615)	-	(1,615)	-	-	(3,285)
Dividends Paid (Note 7)	(48,760)	(48,760)	-	(48,760)	-	-	-
Closing Balance at 31 December 2021	103,246	97,849	86,758	26,006	(13,950)	(965)	5,397



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

	<u>Total Equity</u>	<u>Share Capital</u>	<u>Treasury Shares</u>	<u>Other Reserve</u>	<u>Retained Earnings</u>
	\$'000	\$'000	\$'000	\$'000	\$'000
Company - Current Period					
Opening Balance at 1 January 2022	84,769	86,758	(13,950)	-	11,961
Movements in Equity:					
Total Comprehensive Income for the Period	8,453	-	-	-	8,453
Issue of Share Capital	2,415	-	2,415	-	-
Dividends Paid (Note 7)	(13,512)	-	-	-	(13,512)
Closing Balance at 31 December 2022	82,125	86,758	(11,535)	-	6,902
Company - Previous Period					
Opening Balance at 1 January 2021	104,384	86,758	(10,897)	-	28,523
Movements in Equity:					
Total Comprehensive Income for the Period	32,198	-	-	-	32,198
Share Buyback	(3,053)	-	(3,053)	-	-
Dividends Paid (Note 7)	(48,760)	-	-	-	(48,760)
Closing Balance at 31 December 2021	84,769	86,758	(13,950)	-	11,961



1(e) Notes to the Condensed Interim Financial Statements
31 December 2022

1. General

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

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

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

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

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

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

Basis of presentation

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

The accounting policies and methods of computation applied in these condensed consolidated interim financial statements are consistent with those of the latest audited annual financial statements for the reporting year ended 31 December 2021. However, the typical notes and information included in the latest audited annual financial statements are not included in these interim financial statements except for the selected explanatory notes included to explain events and transactions that are significant to an understanding of the changes in the performance and financial position of the group since the latest audited annual financial statements.

New and amended standards adopted by the Group

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



Critical judgements, assumptions and estimation uncertainties

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

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

2. Financial information by operating segments

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

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

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



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2B(i). Profit or loss for the 3 months ended 31 December from continuing operations and reconciliations

	<u>Primary Healthcare</u>		<u>Medical Laboratory and Dental Equipment & Supplies</u>		<u>Unallocated – Investment in Associates</u>		<u>Consolidated</u>	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Revenue by segment	43,182	43,935	6,374	11,590	-	-	49,556	55,525
Inter-segment sales	-	(340)	(1,773)	(1,891)	-	-	(1,773)	(2,231)
Total revenue	<u>43,182</u>	<u>43,595</u>	<u>4,601</u>	<u>9,699</u>	<u>-</u>	<u>-</u>	<u>47,783</u>	<u>53,294</u>
Segment results	8,844	8,221	(4,726)	2,520	(175)	(357)	3,943	10,384
Finance costs							(1,208)	(772)
Depreciation of plant and equipment							(1,069)	(953)
Depreciation right-of-use assets							(3,229)	(1,630)
Amortisation of intangible assets							(305)	(147)
Profit before income tax							(1,868)	6,882
Income tax expense							(338)	(2,939)
(Loss) profit, net of tax							<u>(2,206)</u>	<u>3,943</u>
Expenditure for non-current assets								
Property, plant and equipment	<u>(1,517)</u>	<u>(2,449)</u>	<u>(81)</u>	<u>(439)</u>	<u>-</u>	<u>-</u>	<u>(1,598)</u>	<u>(2,888)</u>
Other material non-cash items								
Depreciation of plant and equipment	(918)	(787)	(151)	(166)	-	-	(1,069)	(953)
Depreciation right-of-use assets	(3,159)	(1,536)	(70)	(94)	-	-	(3,229)	(1,630)
Amortisation of intangible assets	(286)	(73)	(19)	(74)	-	-	(305)	(147)
Finance costs	(1,200)	(753)	(8)	(19)	-	-	(1,208)	(772)
Allowance on inventories – loss	-	-	(4,896)	(94)	-	-	(4,896)	(94)
Allowance on trade receivables – loss	-	-	(74)	(20)	-	-	(74)	(20)
Allowance on plant and equipment – reversal	8	-	-	-	-	-	8	-



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

	<u>Primary Healthcare</u>		<u>Medical Laboratory and Dental Equipment & Supplies</u>		<u>Unallocated – Investment in Associates</u>		<u>Consolidated</u>	
	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000	2022 \$'000	2021 \$'000
Revenue by segment	161,594	160,749	26,375	51,340	-	-	187,969	212,089
Inter-segment sales	(699)	(538)	(6,056)	(5,952)	-	-	(6,755)	(6,490)
Total revenue	<u>160,895</u>	<u>160,211</u>	<u>20,319</u>	<u>45,388</u>	<u>-</u>	<u>-</u>	<u>181,214</u>	<u>205,599</u>
Segment results	37,464	36,975	(1,682)	22,373	(537)	3,908	35,245	63,256
Finance costs							(3,909)	(3,021)
Depreciation of plant and equipment							(4,251)	(3,732)
Depreciation right-of-use assets							(12,169)	(9,456)
Amortisation of intangible assets							(639)	(393)
Profit before income tax							14,277	46,654
Income tax expense							(2,421)	(7,296)
Profit, net of tax							<u>11,856</u>	<u>39,358</u>
Expenditure for non-current assets								
Property, plant and equipment	<u>(9,140)</u>	<u>(5,874)</u>	<u>(168)</u>	<u>(2,000)</u>	<u>-</u>	<u>-</u>	<u>(9,310)</u>	<u>(7,799)</u>
Other material non-cash items								
Depreciation of plant and equipment	(3,568)	(3,223)	(683)	(509)	-	-	(4,251)	(3,732)
Depreciation right-of-use assets	(11,890)	(9,248)	(279)	(208)	-	-	(12,169)	(9,456)
Amortisation of intangible assets	(559)	(263)	(80)	(130)	-	-	(639)	(393)
Finance costs	(3,875)	(2,972)	(34)	(49)	-	-	(3,909)	(3,021)
Gain on deem disposal of associate	-	-	-	-	-	4,373	-	4,373
Allowance on inventories – reversal (loss)	38	-	(4,917)	(377)	-	-	(4,879)	(377)
Allowance on trade receivables – reversal loss	5	-	(91)	(75)	-	-	(86)	(75)
Allowance on plant and equipment – reversal	35	17	-	-	-	-	35	17



2C. Assets and reconciliation

	As at	
	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000
<u>Segment assets</u>		
Primary healthcare	215,397	200,241
Medical laboratory and dental equipment and supplies	26,824	48,896
Unallocated – investment in associates	25,191	27,044
Total	<u>267,412</u>	<u>276,181</u>

2D. Liabilities and reconciliation

	As at	
	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000
<u>Segment liabilities</u>		
Primary healthcare	160,311	157,813
Medical laboratory and dental equipment and supplies	4,853	15,122
Total	<u>165,164</u>	<u>172,935</u>

2E. Geographical information

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

	3 months ended 31 Dec		12 months ended 31 Dec	
	<u>2022</u> \$'000	<u>2021</u> \$'000	<u>2022</u> \$'000	<u>2021</u> \$'000
<u>Revenue</u>				
Singapore	44,214	49,976	167,288	194,140
Malaysia	3,394	2,993	13,139	10,252
China	175	325	787	1,207
Total	<u>47,783</u>	<u>53,294</u>	<u>181,214</u>	<u>205,599</u>

	As at	
	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000
<u>Non-current assets</u>		
Singapore	155,108	149,153
Malaysia	5,138	4,462
China	25,363	27,407
Total	<u>185,609</u>	<u>181,022</u>

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



3. Revenue

	3 months ended 31 Dec		12 months ended 31 Dec	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	\$'000	\$'000	\$'000	\$'000
Dental, medical and medical laboratory testing services	43,447	49,579	165,764	193,083
Sales of goods	2,998	2,456	11,172	8,228
Profit guarantee income	937	1,178	3,216	3,179
Rental income	130	105	472	540
Other income	271	(24)	590	569
Total revenue	<u>47,783</u>	<u>53,294</u>	<u>181,214</u>	<u>205,599</u>

4. Other gains and (other losses)

	3 months ended 31 Dec		12 months ended 31 Dec	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	\$'000	\$'000	\$'000	\$'000
Gain (loss) on disposal of plant and equipment	6	(1)	30	9
Plant and equipment written off	(206)	(110)	(299)	(216)
Foreign exchange translation gain (loss)	8	5	(11)	(42)
Gain on deem disposal of associate	-	-	-	4,373
Impairment allowance on other receivables – loss	(74)	(20)	(86)	(75)
Impairment allowance on plant and equipment – reversal	8	-	35	17
Impairment allowance on inventories – loss	(4,896)	(94)	(4,879)	(377)
Net	<u>(5,154)</u>	<u>(220)</u>	<u>(5,210)</u>	<u>3,689</u>

5. Finance costs

	3 months ended 31 Dec		12 months ended 31 Dec	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	\$'000	\$'000	\$'000	\$'000
Interest on borrowings	771	350	2,055	1,422
Interest on lease liabilities	437	422	1,854	1,599
Net	<u>1,208</u>	<u>772</u>	<u>3,909</u>	<u>3,021</u>



6. Income tax expense

Components of tax expense recognised in profit or loss include:

	3 months ended 31 Dec		12 months ended 31 Dec	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
	\$'000	\$'000	\$'000	\$'000
<u>Current tax expense:</u>				
Current tax expense	856	1,357	2,823	5,906
(Over) under adjustments in respect of prior periods	(82)	92	51	157
Subtotal	<u>774</u>	<u>1,449</u>	<u>2,874</u>	<u>6,063</u>
<u>Deferred tax (income) expense:</u>				
Deferred tax (income) expense	(95)	941	(127)	909
(Over) under adjustments in respect of prior periods	(341)	549	(326)	324
Subtotal	<u>(436)</u>	<u>1,490</u>	<u>(453)</u>	<u>1,233</u>
Total income tax expense	<u>338</u>	<u>2,939</u>	<u>2,421</u>	<u>7,296</u>

7. Dividends on equity shares

	Group	
	31 Dec <u>2022</u>	31 Dec <u>2021</u>
	\$'000	\$'000
Second interim tax exempt dividend paid of \$0.025 with respect of FY2020	-	19,683
Final tax exempt dividend paid of \$0.005 with respect of FY2020	-	3,936
First interim tax exempt dividend paid of \$0.010 with respect of 1Q2021	-	7,873
Second interim tax exempt dividend paid of \$0.010 with respect of 2Q2021	-	7,873
Third interim tax exempt dividend paid of \$0.010 with respect of 3Q2021	-	9,395
Fourth interim tax exempt dividend paid of \$0.01 with respect of FY2021	9,394	-
First interim tax exempt dividend paid of \$0.04 with respect of 1Q2022	3,758	-
	<u>13,152</u>	<u>48,760</u>

8. Property, plant and equipment

During the 12 months ended 31 December 2022, the Group acquired assets amounting to \$9,310,000 (31 December 2021: \$7,799,000) and disposed of assets amounting to \$206,000 (31 December 2021: \$302,000).



9. Investment in associates

	Group As at	
	31 Dec 2022 \$'000	31 Dec 2021 \$'000
Movements in carrying value:		
Balance at beginning of the year	27,044	43,743
Additions ⁽ⁱⁱ⁾	-	420
Disposals ⁽ⁱ⁾	-	(12,623)
Dilution ⁽ⁱⁱⁱ⁾	-	(5,054)
Foreign currency translation adjustment	(1,316)	1,023
Share of (loss) profit for the year	(537)	(465)
	25,191	27,044

⁽ⁱ⁾ The Group fully disposed its interest in Aidite Qinhuangdao on 11 March 2021.

⁽ⁱⁱ⁾ In 2021, the Company acquired 2,150,700 ordinary shares of Aoxin Q & M Dental Group Limited (“Aoxin Q&M”) in the open market for an aggregate consideration of \$0.4 million. Following the acquisition, the Company’s shareholding interest in Aoxin Q&M increased from 165,520,138 to 167,670,838 shares (representing 43.94% interest).

⁽ⁱⁱⁱ⁾ On 1 November 2021, Aoxin Q&M acquired the remaining 49% of the shares of Acumen Diagnostics Pte. Ltd., a subsidiary of the Group for a consideration of \$29.4 million which was satisfied by the issuance of 127,272,726 new ordinary shares in the capital of Aoxin Q&M at \$0.231 per share. Following the issuance of the new shares, the shareholding interest held by the Group in Aoxin Q&M was diluted from 43.94% to 32.95%.

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

10. Goodwill

Goodwill that has an indefinite useful life is tested for impairment annually, or more frequently if events or changes in circumstances indicated that it might be impaired. No impairment indicators were identified as at 31 December 2022 based on the CGU’s business performance.

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



11. Other intangible assets

	Development costs \$'000	Customer lists \$'000	Total \$'000
As at 31 December 2021:			
Cost	2,359	2,851	5,210
Accumulated amortisation and impairment	-	(1,630)	(1,630)
Carrying amounts	<u>2,359</u>	<u>1,221</u>	<u>3,580</u>
Cost			
As at 1 January 2022	2,359	2,851	5,210
Additions	1,193	470	1,663
As at 31 December 2022	<u>3,552</u>	<u>3,321</u>	<u>6,873</u>
Accumulated amortisation and impairment			
As at 1 January 2022	-	1,630	1,630
Amortisation	235	404	639
As at 31 December 2022	<u>235</u>	<u>2,034</u>	<u>2,269</u>
Carrying amounts at 31 December 2022	<u>3,317</u>	<u>1,287</u>	<u>4,604</u>

12. Share capital

	Number of shares issued '000	Share capital \$'000
Ordinary shares of no par value:		
Balance at 31 December 2021 and 31 December 2022	<u>965,865</u>	<u>86,758</u>

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

	Number of treasury shares '000	Cost \$'000
Balance at 31 December 2021	26,422	13,950
Issue share at \$0.351 cents each ^(a)	(4,986)	(1,750)
Issue share at \$0.33 cents each ^(b)	(2,014)	(665)
Balance at 31 December 2022	<u>19,422</u>	<u>11,535</u>

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



12. Share capital (cont'd)

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

The Company has 19,422,407 treasury shares as at 31 December 2022 (31 December 2021: 26,422,407) and there is no subsidiary holdings as at 31 December 2022 (31 December 2021: Nil).

	As at	
	31 Dec <u>2022</u> '000	31 Dec <u>2021</u> '000
Total number of issued shares excluding treasury shares	<u>946,443</u>	<u>939,443</u>

13. Other financial liabilities

	Group As at		Company As at	
	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000
<u>Non-current:</u>				
Bank loans	84,515	80,097	80,620	78,408
Finance leases	62	79	-	-
Non-current, total	<u>84,577</u>	<u>80,176</u>	<u>80,620</u>	<u>78,408</u>
<u>Current:</u>				
Bank loans	453	3,371	246	3,245
Finance leases	20	21	-	-
Bills payable	-	160	-	-
Current, total	<u>473</u>	<u>3,552</u>	<u>246</u>	<u>3,245</u>
Total	<u>85,050</u>	<u>83,728</u>	<u>80,866</u>	<u>81,653</u>

13A. Bank loans

	Group As at		Company As at	
	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000
Amount repayable within one year	453	3,371	246	3,245
Amount repayable after one year	<u>84,515</u>	<u>80,097</u>	<u>80,620</u>	<u>78,408</u>

Bank loans amounting to \$9.5 million (31 December 2021: \$7.5 million) are secured by legal mortgage of the Group's properties and covered by corporate guarantee from the Company.



13. Other financial liabilities (cont'd)

13B. Finance leases

	Group As at	
	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000
Amount repayable within one year	20	21
Amount repayable after one year	<u>62</u>	<u>79</u>

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

13C. Bills payable

	Group As at	
	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000
Amount repayable within one year	<u>-</u>	<u>160</u>

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

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

The bills payables of the Group have maturity period of 90 days (31 December 2021: 90 days).

14. Categories of financial assets and liabilities

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

	Group As at		Company As at	
	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000	31 Dec <u>2022</u> \$'000	31 Dec <u>2021</u> \$'000
Financial assets:				
Financial assets at amortised cost	68,842	77,835	89,086	94,468
At end of the period	<u>68,842</u>	<u>77,835</u>	<u>89,086</u>	<u>94,468</u>
Financial liabilities				
Financial liabilities at amortised cost	160,198	164,171	110,054	112,509
At end of period	<u>160,198</u>	<u>164,171</u>	<u>110,054</u>	<u>112,509</u>



15. Net asset value

	Group As at		Company As at	
	31 Dec <u>2022</u>	31 Dec <u>2021</u>	31 Dec <u>2022</u>	31 Dec <u>2021</u>
Net assets value per ordinary share (cents)	<u>10.2</u>	<u>10.4</u>	<u>8.7</u>	<u>9.0</u>

The net asset value per ordinary share of the Group and the Company as at 31 December 2022 has been calculated based on the total issued number of ordinary shares excluding treasury shares of 946,442,940 (2021: 939,442,940).

16. Events after the end of the reporting period

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



Other Information Required by Listing Rule 7.2

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

The condensed interim consolidated financial statement and notes for the fourth quarter ended 31 December 2022 have not been reviewed / audited by the Company's auditor.

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

Statement of Comprehensive Income

Revenue

As at 31 December 2022, the Group has 107 dental outlets, 5 medical outlets and 1 dental college in operations in Singapore, compared to 97 dental outlets, 5 medical outlets and 1 dental college as at 31 December 2021.

As at 31 December 2022, the Group has 44 dental outlets in Malaysia and 1 dental outlet in People's Republic of China ("PRC") compared to 38 dental outlets in Malaysia and 1 dental outlet in PRC as at 31 December 2021.

As at 31 December 2022 and 31 December 2021, the Group has 1 dental equipment & supplies distribution company and a medical laboratory company in Singapore and 1 dental equipment & supplies distribution company in Malaysia.

The revenue contribution from dental and medical clinics was at \$43.2 million for the three months ended 31 December 2022 ("4Q22"), at about the same level for the three months ended 31 December 2021 ("4Q21").

The revenue contribution from medical laboratory and dental equipment & supplies decreased by 53% from \$9.7 million in 4Q21 to \$4.6 million in 4Q22. The decrease of \$5.1 million was mainly due to lower revenue contribution from the Group's medical laboratory business, with less demand for Covid-19 testing in Singapore after the opening of the Singapore economy which no longer requiring extensive Covid-19 testing, as well as the reduction on Covid tests prices to maintain competitiveness in the market, offset by an increase in revenue contribution from the dental equipment & supplies company in Malaysia.



The revenue contribution from dental and medical clinics increased by \$0.7 million from \$160.2 million for the 12 months ended 31 December 2021 (“FY21”) to \$160.9 million for the 12 months ended 31 December 2022 (“FY22”).

Comparing FY22 with FY21, the revenue contribution from medical laboratory and dental equipment & supplies decreased by 55% or \$25.1 million as the Singapore economy no longer requires Covid testing and government grants have been phased out.

Other (Losses) Gains – Net

Other losses increased from \$0.2 million in 4Q21 to \$5.2 million in 4Q22 mainly due to the allowance for impairment on inventories and other receivables in 4Q22.

Comparing FY22 with FY21, other gains decreased due to an absence of one-time gain on disposal of Aidite in 1H21 as well as an increase in allowance for impairment on inventories and other receivables in FY22.

Other Items of Expense

Consumables and Supplies Used in Dental & Medical Clinics

Consumables and supplies used increased by 2% from \$3.6 million in 4Q21 to \$3.7 million in 4Q22.

As a percentage of revenue from the dental and medical outlets, consumables and supplies used in the dental and medical outlets in 4Q22 was 8.5% compared to 8.3% in 4Q21.

Comparing FY22 with FY21, consumables and supplies used in dental and medical clinics decreased by 3% or \$0.4 million.

Cost of Sales from Medical Laboratory and Dental Equipment & Supplies

The cost of sales from medical laboratory and dental equipment & supplies decreased by 37% from \$4.7 million in 4Q21 to \$2.9 million in 4Q22. The decrease was due to the decrease in revenue of the medical laboratory business.

As a percentage of revenue from medical laboratory and dental equipment & supplies, cost of sales used in medical laboratory and dental equipment & supplies in 4Q22 was 63.6% compared to 48.0% in 4Q21.

Comparing FY22 with FY21, cost of sales from medical laboratory and dental equipment & supplies decreased by 32% or \$5.3 million for the same reason given above.



Employee Benefits Expense

Employee benefits expense, which include professional fees paid to dentists, decreased by 7% from \$30.2 million in 4Q21 to \$28.7 million in 4Q22. The decrease of \$1.5 million was mainly due to change in accrual policy for employee bonuses and directors' fees in FY22.

As a percentage of revenue, employee benefits expense in 4Q22 was 60.1% compared to 56.7% in 4Q21.

Comparing FY22 with FY21, employee benefits expense increased 1% or \$0.6 million due to the same reason given above.

As a percentage of revenue, depreciation and amortisation expense in FY22 was 2.7% compared to 2.0% in FY21.

Depreciation and Amortisation Expense

Depreciation and amortisation expense increased by 25% from \$1.1 million in 4Q21 to \$1.4 million in 4Q22. The increase of \$0.3 million was mainly due to higher amortisation expense on the development cost incurred on the development of the Group's digital Artificial Intelligence (AI) guided clinical decision support system in 4Q22.

As a percentage of revenue, depreciation and amortisation expense in 4Q22 was 2.9% compared to 2.1% in 4Q21.

Comparing FY22 with FY21, depreciation and amortisation expense increased by 19% or \$0.8 million which was due to higher depreciation and amortisation expense from the medical laboratory in Singapore, higher depreciation and amortisation expense from dental clinics in Singapore as well as the reason given above.

As a percentage of revenue, depreciation and amortisation expense in FY22 was 2.7% compared to 2.0% in FY21.

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

Excluding the effect of rental rebate, depreciation of ROU assets increased 7% from \$3.0 million in 4Q21 to \$3.2 million in 4Q22. The increase of \$0.2 million was mainly due to the increase in clinics in Singapore in FY22.

As a percentage of revenue, depreciation of ROU assets, excluding the effect of rental rebate, in 4Q22 was 6.8% compared to 5.6% in 4Q21.

Comparing FY22 with FY21, depreciation of ROU assets, excluding the effect of rental rebate, increased by 7% or \$0.8 million for the same reason given above.

As a percentage of revenue, depreciation of ROU assets, excluding the effect of rental rebate, in FY22 was 6.7% compared to 5.6% in FY21.



Other Expenses

Other expenses decreased by 17% from \$3.9 million in 4Q21 to \$3.2 million in 4Q22. The decrease of \$0.7 million was mainly due to the decrease in legal and professional fees as well as marketing expenses in 4Q22.

As a percentage of revenue, other expenses in 4Q22 was 6.7% compared to 7.3% in 4Q21.

Comparing FY22 with FY21, other expenses decreased by 2% or \$0.2 million, mainly due to the reason given above offset by increase in repair and maintenance fees and PUB expenses in FY22.

As a percentage of revenue, other expenses in FY22 was 6.3% compared to 5.7% in FY21.

Finance Costs

Finance costs increased by 56% from \$0.8 million in 4Q21 to \$1.2 million in 4Q22. The increase of \$0.4 million was due to higher interest expense in 4Q22 as a result of higher interest rate.

As a percentage of revenue, finance costs in 4Q22 was 2.5% compared to 1.4% in 4Q21.

Comparing FY22 with FY21, finance costs increased by 29% or \$0.9 million for the same reason above as well as higher ROU interest as a result of opening more dental clinics in FY22.

As a percentage of revenue, other expenses in FY22 was 2.2% compared to 1.5% in FY21.

Share of Loss from Equity-Accounted Associate

Share of loss decreased by 51% from \$0.4 million in 4Q21 to \$0.2 million in 4Q22. The decrease was due to lower share of loss from equity-accounted associate, Aoxin Q & M.

Comparing FY22 with FY21, share of loss increased by \$0.1 million for the same reason give above.

Profit Before Tax and Net Profit After Tax

The Group's profit before tax decreased from \$6.9 million in 4Q21 to a loss of \$1.9 million in 4Q22. After deducting provision for income tax expense of \$0.3 million, the Group's net profit decreased from \$3.9 million in 4Q21 to a loss of \$2.2 million in 4Q22.

Profit after tax attributable to owners of the parent decreased from \$3.2 million in 4Q21 to a loss of \$2.2 million in 4Q22.

The Group's net profit after tax decreased from \$39.4 million in FY21 to \$11.9 million in FY22.



Profit after tax attributable to owners of the parent decreased from \$30.5 million in FY21 to \$11.3 million in FY22.

Statement of Financial Position

As at 31 December 2022, the Group has cash and cash equivalents of \$39.7 million while bank borrowings plus finance leases amounted to \$85.1 million. As at 31 December 2021, the Group has cash and cash equivalents of \$47.6 million while bank borrowings plus finance leases amounted to \$83.7 million.

Current Assets

Cash and cash equivalents as at 31 December 2022 decreased to \$39.7 million from \$47.6 million as at 31 December 2021. The decrease of \$7.9 million was mainly due to dividend payment of \$18.2 million, purchase of Kovan property, dental equipment and renovations for new clinics, offset by net cash generated from operations of \$33.6 million (12 months ended 31 December 2021: \$50.8 million).

Trade and other receivables as at 31 December 2022 decreased to \$27.0 million from \$27.8 million as at 31 December 2021. The decrease of \$0.8 million was mainly due to decrease in trade receivables from the medical laboratory business offset by profit guarantee receivables from vendors of Aoxin Q & M Dental Group Limited, an equity-accounted associate of the Company and increase in trade receivables from the dental equipment & supplies distribution companies in Singapore and Malaysia.

Other assets as at 31 December 2022 increased to \$4.0 million from \$3.8 million as at 31 December 2021. The increase of \$0.2 million was mainly due to an increase in sign on bonus for dentists.

Non-Current Assets

The net book value of property, plant and equipment as at 31 December 2022 increased to \$36.9 million from \$32.6 million as at 31 December 2021. The increase of \$4.3 million was mainly due to the purchase of clinic property in Kovan.

Investment in associates as at 31 December 2022 decreased to \$25.2 million from \$27.0 million as at 31 December 2021. The decrease of \$1.8 million was due to the share of loss from Aoxin Q & M in FY22 as well as translation loss due to a weaker exchange rate for RMB against SGD.

Other intangible assets as at 31 December 2022 increased to \$4.6 million from \$3.6 million as at 31 December 2021. The increase of \$1.0 million was due to acquisition of intangible business assets acquired in the course of expanding Singapore dental clinics as well as the cost of developing the Artificial Intelligence (AI) guided clinical decision support system.

Other receivables as at 31 December 2022 decreased to \$2.2 million from \$2.4 million as at 31 December 2021. The decrease of \$0.2 million was due to the repayment of loan by the dentists of the Company.

Other assets as at 31 December 2022 increased to \$7.5 million from \$7.1 million as at 31 December 2021. The increase of \$0.4 million was mainly due to an increase in sign on bonus arising from the Q & M Performance Share Plan 2018 awarded to 7 key dentists of the Group offset by amortisation of sign on bonuses for dentists.



Current Liabilities

Trade and other payables as at 31 December 2022 decreased to \$19.4 million from \$26.2 million as at 31 December 2021. The decrease of \$6.8 million was mainly due to the decrease of trade payables from the medical laboratory in Singapore, payment of the accrued dividends to Aoxin Q&M, an associate of the Group and the 49% owner of Acumen Diagnostics Pte. Ltd. of which the Group has 51% ownership.

Other financial liabilities as at 31 December 2022 decreased to \$0.5 million from \$3.6 million as at 31 December 2021. The decrease of \$3.1 million was due to reclassification of a \$3.0 million bank loan from current liability to non-current liability.

Lease liabilities from ROU assets as at 31 December 2022 increased to \$10.5 million from \$9.9 million as at 31 December 2021. The increase of \$0.6 million was mainly due to opening of new dental clinics in Singapore and Malaysia off set by the expiry of leases less than one year that has yet to be renewed.

Non-Current Liabilities

Other financial liabilities as at 31 December 2022 increased to \$84.6 million from \$80.2 million as at 31 December 2021. The increase of \$4.4 million was due to a new bank loan for the purchase of a clinic's property located in Kovan, as well as the reclassification of bank loan from current liability to non-current liability.

Statement of Cash Flows

The Group generated net cash flow from operating activities of \$11.4 million in 4Q22. This was mainly attributable to operating cash flows before changes in working capital, decrease of inventory and increase in trade and payables offset by increase in trade and receivables in 4Q22

Net cash used in investing activities in 4Q22 amounted to \$2.4 million, mainly due to purchase of plant and equipment for the existing and new dental clinics, sign on bonus for dentists and cost of developing the Artificial Intelligence (AI) guided clinical decision support system.

Net cash used in financing activities in 4Q22 was \$5.8 million, mainly due to repayment of lease liabilities arising from right-of use assets, repayment of bill payables and bank loans.

Consequent to the above factors, the Group's cash and cash equivalents was \$39.7 million as at 31 December 2022.

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

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



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

Industry Prospects

Barring any unforeseen circumstances, there are no known significant changes in the trends and competitive conditions of the industry in which the Group operates and no other major known factors or events that may adversely affect the Group in the next reporting period and the next 12 months. However, the Group and the industry is impacted by increased manpower and occupancy costs, as well as shortage of and competition for trained nurses.

Recent Developments

- Update on Use the Company's Singapore Operations

The Group's medical laboratory has commenced operation of a Joint Testing and Vaccination Centre (JTVC) at one of the sites allocated by Singapore Ministry of Health (MOH) since November 2022.

The Group's Free Dental Clinic at Chai Chee has received approval from all relevant authorities and commenced renovation at the site and is under way to be launched in 2Q23.

- Update on Use of Proceeds from Placement of Treasury Shares

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

As at 1 March 2023, the Company has utilized the proceeds raised from the placement for the following purposes:

- | | | |
|-----|---------------------------------|---------------|
| i) | For loan repayment | \$0.5 million |
| ii) | For working capital in Malaysia | \$0.5 million |

Future Plans

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

- Expansion of network of dental clinics in Singapore and Malaysia

Currently, the Group operates 107 clinics in Singapore. The Group will be focusing on its operations in Singapore and has initiated a strategy of intensive organic growth of dental clinics in Singapore. It will expand its team of dentists to support the future growth of its operations in Singapore. We will continue to develop, invest and optimise our digital Artificial Intelligence (AI) guided clinical decision support system to provide the most effective and suitable treatment plans for patient. The Group believes it is well-positioned to cater to the rising demand for primary and high-value specialist dental healthcare services to its patients.



Currently, the Group operates 44 clinics in Malaysia. The Group has 16 dental clinics in Johor, 9 dental clinics in Kuala Lumpur, 12 dental clinics in Selangor, 4 dental clinics in Melaka and 3 dental clinics in Negeri Sembilan.

The Group intends to continue its organic growth plan. The eventual number of dental clinics will depend on available opportunities and pertinent market conditions. The increasingly tight labour market is also a limiting factor.

- Expansion into private dental healthcare market in the People’s Republic of China (“PRC”)

The main thrust of the Group’s proposed expansion in PRC is through organic growth to develop a new and sustainable growth pillar that can yield long term value for the Group.

- Expansion in Southeast Asia

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

- Medical Laboratory

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

5. Dividend

(a) Current Financial Period Reported On

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

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

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



(b) Corresponding Period of the immediately Preceding Financial Year

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

Name of Dividend	First Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.0 Cents per Ordinary Share
Tax Rate	One Tier Tax Exempt

Name of Dividend	Second Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.0 Cents per Ordinary Share
Tax Rate	One Tier Tax Exempt

Name of Dividend	Third Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.0 Cents per Ordinary Share
Tax Rate	One Tier Tax Exempt

Name of Dividend	Fourth Interim
Dividend Type	Cash
Dividend Amount per Share (in cents)	1.0 Cents per Ordinary Share
Tax Rate	One Tier Tax Exempt

(c) The date the dividend is payable.

Second Interim Dividend

The dividend will be paid on 24 March 2023.

(d) Book closure date

Second Interim Dividend

Notice is hereby given that Share Transfer Books and Register of Members of the Company will be closed on 10 March 2023 on which day no share transfer will be effected.

Duly completed and stamped transfers received by the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #11-02 Singapore 068898, up to 5.00 p.m. on 9 March 2023 will be registered to determine members' entitlements to the interim dividend. Members (being depositors) whose securities account with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on 9 March 2023 will be entitled to the payment of the interim dividend.

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

Not applicable



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

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

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

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

Performance by business segment

The increase in primary healthcare segment revenue and result in FY22 as compared to FY21 was mainly due to higher revenue and result contribution from existing and new dental outlets in Singapore.

The decrease in medical laboratory and dental equipment and supplies distribution segment revenue in FY22 as compared to FY21 was mainly due to lower revenue contribution from the medical laboratory with less demand for Covid-19 testing in Singapore after the opening of the Singapore economy which no longer requiring extensive Covid-19 testing, as well as the reduction on Covid-19 test prices to maintain competitiveness in the market.

Performance by geographical segment

The decrease in the contribution to the Group’s revenue from Singapore operations in FY22 as compared to FY21 was mainly due to lower contribution from the medical laboratory.

The increase in the contribution to the Group’s revenue from Malaysia operations in FY22 as compared to FY21 was mainly due to higher contribution from the dental equipment and supplies distribution company in Malaysia.

The decrease in the contribution to the Group’s revenue from PRC operations in FY22 as compared to FY21 was due to lower contribution from the dental clinic in Shanghai, PRC.

- 9. A breakdown of sales**

		Group		
		2022	2021	Change
		\$’000	\$’000	%
9(a)	Revenue reported for first half	90,910	94,571	(4)
9(b)	Operating profit after tax before deducting non-controlling interests reported for first half year	10,541	21,477	(51)
9(c)	Revenue reported for second half	90,304	111,028	(19)
9(d)	Operating profit after tax before deducting non-controlling interests reported for second half year.	1,315	17,881	(93)



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

	Latest Full Year \$'000	Previous Full Year \$'000
Ordinary*	9,437	34,536
Preference	-	-
Total	9,437	34,536

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

* Total annual dividend for FY21 comprises recommended FY21 fourth interim dividend (from FY21Q4 profit and retain earnings) of \$9.40 million, third interim dividend of \$9.40 million (from FY21Q3), second interim dividend of \$7.87 million (from FY21Q2), and \$7.87 million first interim dividend paid in respect of FY21Q1 profit.

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

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

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

Name	Age	Family relationship with any director, chief executive officer and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Foo Siew Juan	54	Wife of Dr Ng Chin Siau, Group Chief Executive Officer of Q & M Dental Group (Singapore) Limited ("QDGS").	General Manager (1999)	None
Ng Sook Hwa	51	Sister-in-law of Ng Sook Hwa, Group Financial Controller of QDGS. Sister of Dr Ng Chin Siau, Group Chief Executive Officer of QDGS.	Chief Financial Officer (May 2022)	Group Financial Controller (June 2011)



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

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

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

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

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

On behalf of the Board of Directors

Dr Ng Chin Siau
Group CEO & Executive Director

Dr Ang Ee Peng Raymond
COO & Executive Director

1 March 2023