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*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 3600)**

## **POSITIVE PROFIT ALERT AND INSIDE INFORMATION**

This announcement is made by Modern Dental Group Limited (the “**Company**”, and together with its subsidiaries, collectively referred to as the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (the “**SFO**”) (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders and potential investors of the Company that, based on the preliminary assessment of the latest available unaudited consolidated management accounts of the Group (the “**Management Accounts**”) for the year ended 31 December 2021 (“**FY 2021**”), which have not been audited or reviewed by the auditor and/or the audit committee of the Group, the Group expects the following:

- (i) the revenue for FY 2021 is to be within the range of HK\$2,900.0 million to HK\$3,000.0 million, representing an increase within the range of approximately 32.4% to 37.0%, compared to the revenue for the year ended 31 December 2020 (“**FY 2020**”) of approximately HK\$2,190.2 million;
- (ii) the earnings before interest, taxes, depreciation and amortisation (“**EBITDA**”) for FY 2021 to be within the range of HK\$620.0 million to HK\$640.0 million, representing an increase within the range of approximately 40.1% to 44.6%, compared to the EBITDA for FY 2020 of approximately HK\$442.6 million; and

(iii) the net profit for FY 2021 to be within the range of HK\$350.0 million to HK\$370.0 million, representing an increase within the range of approximately 225.0% to 243.5%, compared to a net profit for FY 2020 of approximately HK\$107.7 million.

The increase in revenue, EBITDA and net profit of the Group for FY 2021 was mainly due to the solid recovery of the global dental industry and the acceleration of consolidation of the dental laboratory industry driven by the pandemic and our clients' adoption of intra-oral scanners. The lasting effects of the pandemic continued to disproportionally affect our smaller and mid-scale competitors. For FY2021, we are expected to record a foreign exchange loss, net of approximately HK\$17.0 million (compared with a net gain of approximately HK\$10.2 million in FY 2020); record a recognition of an one-off provision for income tax and charges related to prior years of approximately HK\$19.4 million in FY 2021 (compared with nil in FY2020); and record a general increase in promotions and marketing activities of our clear aligners business.

The Company is currently finalising the consolidated financial results of the Group for FY 2021. The information contained in this announcement is only based on the information currently available to the Company and the preliminary assessment of the Board on the management accounts prepared in accordance with the International Financial Reporting Standards applicable for FY 2021, which have not been audited or reviewed by the auditors and/or the audit committee of the Company. The final audited consolidated results of the Group for FY 2021 is expected to be announced by the end of March 2022, which may be different from the figures and information contained in this announcement.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.**

By order of the Board  
**Modern Dental Group Limited**  
**Chan Ronald Yik Long**  
*Chairman and Executive Director*

Hong Kong, 11 March 2022

*As at the date of this announcement, the board of directors of the Company comprises Chan Kwun Fung, Chan Kwun Pan, Ngai Shing Kin, Ngai Chi Ho Alwin, Chan Chi Yuen, Chan Ronald Yik Long and Chan Yik Yu as executive Directors, and Cheung Wai Bun Charles J.P., Chan Yue Kwong Michael, Cheung Wai Man William and Yau Ka Po as independent non-executive Directors.*