

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



(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 2023 (“**FY 2023**”), 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 2023 is expected to be within the range of HK\$3,125 million to HK\$3,225 million, representing an increase within the range of approximately 10.4% to 14.0%, compared to the revenue for the year ended 31 December 2022 (“**FY 2022**”) of approximately HK\$2,830 million;
- (ii) the earnings before interest, taxes, depreciation and amortisation (“**EBITDA**”) for FY 2023 is expected to be within the range of HK\$675 million to HK\$705 million, representing an increase within the range of approximately 45.8% to 52.3%, compared to the EBITDA for FY 2022 of approximately HK\$463 million; and
- (iii) the net profit for FY 2023 is expected to be within the range of HK\$390 million to HK\$410 million, representing an increase within the range of approximately 76.5% to 85.5%, compared with a net profit for FY 2022 of approximately HK\$221 million.

The increase in the Group's record revenue was predominately driven by an increase in sales volume and market share, as accelerated by the digitalization trend in dental industry. As the challenging macro-economic environment continues to negatively affect our competitors, the Group's multi-dimensional strategies and comprehensive products portfolio, encompassing higher-priced dental treatments and cost-effective dental treatments, enabled the Group to capitalize on market opportunities by capturing new customers and increase its sales volume, and in each case displaying the Group's ability to outperform its competitors throughout the economic cycle.

The increase in the Group's record EBITDA and record net profit was primarily due to the improvement in operational efficiency as a result of an increase in the proportion of digital solution cases, as driven by the digitalization trend in dental industry.

The Company is currently finalising the consolidated financial results of the Group for FY 2023. 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 2023, which have not been audited or reviewed by the auditors and/or the audit committee of the Company. The final consolidated results of the Group for FY 2023 is expected to be announced by the end of March 2024, 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 2024

As at the date of this announcement, the board of directors of the Company comprises Chan Ronald Yik Long, Ngai Shing Kin, Chan Yik Yu, Chan Kwun Fung, Chan Kwun Pan, and Chan Chi Yuen, 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.