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

VOLUNTARY DISCLOSURE

2023 FIRST QUARTER UPDATE

The Board is pleased to provide a voluntary disclosure and update on selected unaudited operational data of the Group for the three months ended 31 March 2023.

AN UPDATE ON THE GROUP

During the first quarter of 2023, we experienced a significant increase in demand for our products from our existing, returning and new customers, primarily driven by the re-opening of Mainland China and at the same time, driven by the global digitalization trend which continues to accelerate the consolidation of the dental prosthetics industry. The digitalization trend has allowed the Group to further increase its market share in the industry and our continued digital transformation is expected to improve our customers' and patients' experiences, further allowing the Group to differentiate itself from its competitors and outperform the industry peers.

GLOBAL REVENUE

For the three months ended 31 March 2023, the total revenue of the Group increased by approximately 18.3% (approx. HK\$788.2 million) compared with the three months ended 31 March 2022 (approx. HK\$666.2 million).

	Three months ended 31 March 2023	Three months ended 31 March 2022	Three months ended 2023 vs 2022	
	<i>HK\$'m</i>	<i>HK\$'m</i>	<i>Change in Currency</i>	<i>Original currency growth rate</i>
Europe	347.6	278.3	-4.0%	+30.1%
North America	195.2	174.6	—	+11.8%
Greater China	173.7	150.7	-7.1%	+24.1%
Australia	61.3	54.6	-5.1%	+18.3%
Others	10.4	8.0	—	+30.0%
	<u>788.2</u>	<u>666.2</u>		

* *The revenue information above is based on the locations of the customers.*

The increase in revenue was predominately due to the increase in sales volume as a result of the re-opening of Mainland China and the increase in market share driven by the digitalization trend in dental industry offset by (i) the COVID-affected closure of Mainland China based dental clinics in January 2023; (ii) the development of the volume-based procurement for dental implant treatment in the Mainland China and (iii) the depreciation of foreign currencies against Hong Kong dollars.

For the three months ended 31 March 2023, the Group's digital solution cases (overseas and domestic) that are produced from its Mainland China production facilities (which, for the avoidance of doubt, does not include digital solution cases produced in the Group's non-Mainland China production facilities or overseas/satellite dental laboratories) increased to approximately 172,000 cases reflecting an increase of 62.3% for the same period in 2022 (approximately 106,000 cases) as a result of our clients' increased adoption of intra-oral scanners.

Sales volumes (number of cases)

For the three months ended 31 March 2023, the total sales volumes of the Group was approximately 510,000 cases (three months ended 31 March 2022: approximately 433,000 cases).

Average selling price

For the three months ended 31 March 2023, the average selling price of the Group's dental prosthetic products across its markets was HK\$1,444 per case (three months ended 31 March 2022: HK\$1,409), representing an increase of approximately 2.5%. The increase in average selling price was mainly due to the increment in price of our products and the change in product mix offset by the depreciation of Euro, Renminbi and Australia Dollars against Hong Kong Dollars.

Information in this announcement was based on the preliminary assessment of the Group's management accounts which had not been reviewed or audited by the auditors of the Company. The unaudited key operational data in this announcement should be read in conjunction with the Group's latest annual report and interim report. Shareholders and potential investors are advised to exercise caution when dealing in the Shares of the Company.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors;
“Company”	Modern Dental Group Limited (stock code: 3600), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange;
“Director(s)”	Director(s) of the Company;
“Group”	the Company and its subsidiaries; and
“Share(s)”	ordinary share(s) in the share capital of the Company.

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

Hong Kong, 31 May 2023

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.