

Aoxin Q&M Dental Group Limited

(AOXIN SP / 1D4.SI)

Beyond the Dental Chair, a Glimpse into Aoxin Q&M Operations

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Site Visit Highlights

- No. 6 Hospital in central Shenyang.** We visited the five-level hospital on Zhongjie Road on a Sunday, when patients were receiving treatment across its clinical floors. We saw individual treatment rooms and a dedicated children's area with a play space, child-sized furniture and brightly coloured consultation rooms. Around 60% of the rooms we walked past were in use at the time.
- Shenyang Maotai Q&M Medical Equipment's distribution warehouse.** The second-day visit began with Aoxin's dental equipment and supplies operation. Boxed materials, consumables and tooth sets were held on racks, shelves and drawers. Maotai supplies hospitals, clinics, laboratories and other distributors across Liaoning, Heilongjiang and Jilin, and serves Aoxin's own centres and laboratories.
- Qingaomei's restorative laboratory.** At the laboratory, we saw dental casts, mounted models, patient-specific work trays and restorative pieces. Technicians worked at both computer-based and manual stations. The operation manufactures porcelain crowns, bridges and dentures and forms part of Aoxin's laboratory business in China and Singapore.
- The new Wenhua Road hospital.** Our final stop was the 2,430 sqm facility in Shenhe District. Reception, waiting and patient-preparation spaces were in place during the visit. Full operations are targeted for early November 2026, with planned staffing of more than 80 healthcare professionals and 20 support staff. The service range includes restorative, implant, periodontal, endodontic and orthodontic care.

NON-RATED

Last close (S\$)	0.156
TRADING DATA	
Market Cap (S\$m)	180.81
Issued Shares (mn)	1,159.04
3M Avg Daily Vol (mn)	2.14
3M Avg Daily Val (S\$m)	N/A
Free Float (%)	46.80
MAJOR SHAREHOLDERS (%)	
Ng Chin Siau	58.38

Financials & Key Operating Statistics

YE Dec (RMB'000)	FY22A	FY23A	FY24A	FY25A	1H26A
Revenue	139,721	177,255	177,485	171,048	76,357
Net Income	(67,673)	(47,300)	(7,998)	6,973	351
EPS (RMB cents)	(13)	(9)	(1.6)	1.3	0.0
EPS growth (%)	n.m.	n.m.	n.m.	n.m.	n.m.
DPS (RMB cents)	-	-	-	-	-
Dividend yield (%)	-	-	-	-	-
Net Profit Margin (%)	(48.4%)	(26.7%)	(4.5%)	4.1%	0.5%
Net gearing (%)	(1.3%)	(9.6%)	(20.1%)	(39.0%)	(47.0%)

Source: Company data, KGI Research estimates

Aoxin's dental operations in Liaoning

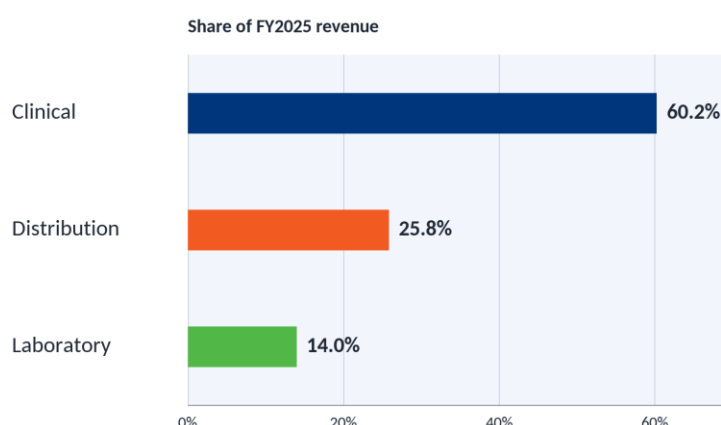
Our two-day visit covered Aoxin's patient-facing hospital operations, its dental-supplies distribution business and its restorative laboratory in Shenyang. We also visited the new hospital on Wenhua Road, where full operations are targeted for early November 2026. The sequence brought together clinical care and the supporting supply and fabrication activities within the group.

Aoxin Q&M Dental Group Limited is listed on SGX Catalist under 1D4. At the end of FY2025, it reported 14 dental centres comprising seven hospitals and seven polyclinics, with 213 dental chairs and 138 dentists. Its clinical network was concentrated in Liaoning, while equipment distribution extended to Heilongjiang and Jilin and laboratory activities included Singapore.

Primary healthcare accounted for 60.2% of FY2025 external revenue, equipment and supplies for 25.8%, and laboratory services for 14.0%. The combination gives Aoxin exposure to dental activity at several points in the service chain: treatment at its own centres, products supplied to dental providers, and restorations made for clinics. Internal transactions are eliminated from the consolidated revenue figures.

The new Wenhua Road facility adds to Aoxin's presence in Shenyang. Elsewhere in Liaoning, the group's 1H2026 results recorded expenses connected with the closure of Panjin hospital. Our regional demand analysis covers Shenyang and six other selected Liaoning markets, including Panjin.

Figure 1: Aoxin's FY25 revenue mix



Source: Company data, KGI Research

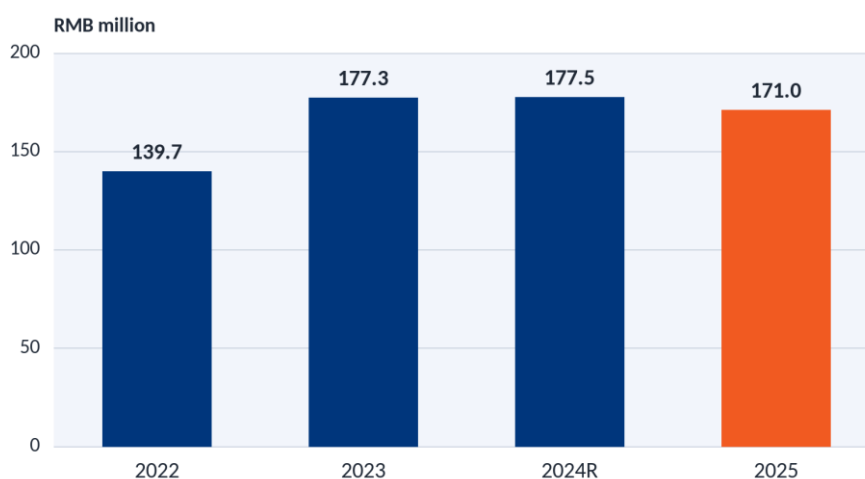
Historical results and the latest interim period

Group revenue increased from RMB139.7m in FY2022 to RMB177.3m in FY2023, was broadly unchanged at RMB177.5m in FY2024, and declined 3.6% to RMB171.0m in FY2025. Profit attributable to shareholders moved from losses of RMB67.7m and RMB47.3m in FY2022 and FY2023 to a loss of RMB8.0m in FY2024 and a profit of RMB7.0m in FY2025. Associate results affected the earlier periods, so the profit series includes more than the operating performance of the dental centres.

The FY2024 comparison is restated. Aoxin reduced previously reported revenue by RMB6.237m in relation to excess medical-insurance materials claims at two hospitals; the amounts were fully refunded in FY2025. The historical figures here incorporate that restatement.

For 1H2026, revenue was RMB76.357m, down 12.1% from RMB86.819m a year earlier. Primary healthcare revenue fell 21.0% to RMB43.398m, reflecting lower patient volumes and average billing. Equipment and supplies revenue declined 6.4% to RMB18.628m on lower equipment sales to government hospitals. Laboratory revenue increased 19.2% to RMB14.331m, mainly from Singapore operations. Reported shareholder profit was RMB0.351m.

Figure 2: Aoxin annual revenue and NPAT



RMB million	FY2022	FY2023	FY2024	FY2025	1H2026
Profit attributable to shareholders	(67.673)	(47.300)	(7.998)	6.973	0.351

Source: Company data, KGI Research

Shenhe District No 6 Hospital

We began at Shenyang City Shenhe District No. 6 Hospital at No. 181 Zhongjie Road, Shenhe District. The hospital sits in the Zhongjie commercial area, where we observed substantial pedestrian activity around the site. It was receiving patients during our Sunday visit.

The hospital occupies five levels. Reception is on the first floor, with clinical services arranged above it. The floor directory places children's dental care on the fourth floor and identifies implant, restorative, orthodontic, periodontal and general dental functions across the upper floors. The arrangement separates reception, specialist care and the children's area within the same building.

At reception, a staffed counter fronts the waiting and circulation space. We then moved through the consultation floors, where individual treatment rooms branch from the internal corridors. The visit covered both general treatment rooms and the dedicated paediatric area.

Figure 3: No 6 Hospital reception



Source: KGI Research

Figure 4: Clinical departments across the five floors



Source: KGI Research

Treatment rooms and Sunday activity

Consultation rooms were fitted with a dental chair and delivery unit, clinician's stool, storage cabinets and work surfaces. The room we entered had a window along the external wall, with cabinetry and equipment arranged around the treatment position. The individual-room layout provides a separate space for consultation and treatment.

Across the clinical floors we walked through, we counted approximately nine consultation rooms per floor and estimated that around c.60% were attending to patients at the time. Applied to five floors, those approximations imply about 45 rooms and 27 occupied rooms at a point in time. Assuming 27 visits with hourly turnover, it translates to c.220 visits over a Sunday. The occupied rooms and patient activity reflected the hospital's Sunday operations during our visit.

Aoxin's group-level capacity figures provide a separate reference point: it disclosed 213 chairs and 138 dentists across its FY2025 network. The number of occupied rooms we saw at No. 6 Hospital relates to one location and one visit period.

Figure 5: An individual dental treatment room



Source: KGI Research

Dedicated children's dental care

The children's area has its own reception, a play space and treatment rooms. Child-sized seating, toys and activity tables were placed in the waiting area, while the treatment rooms used brighter colours and screened cartoons. The layout provides space for children and accompanying adults before consultation.

The floor directory identifies the fourth level as the children's dental-care area. Within it, the waiting and treatment spaces retain the clinical equipment needed for dental care while using furniture and visual displays suited to younger patients.

Children's treatment forms a distinct part of the service mix in our demand estimates. Preventive care, fillings and orthodontic starts have different age profiles from the implant and denture services associated with older cohorts. Liaoning's **smaller child population share** therefore affects the composition of demand even where paediatric services remain part of the hospital's offering.

Figure 6: Reception for children's dental care


Source: KGI Research

Figure 7: Children's waiting and play area


Source: KGI Research

Figure 8: Paediatric treatment room


Source: KGI Research

Maotai's dental distribution operation

On the second day, we visited Shenyang Maotai Q & M Medical Equipment Co., Ltd. The warehouse held boxed products on metal racks, with drawers and smaller storage areas for dental materials and tooth sets. The aisles connected the main shelving and product-storage sections.

Maotai supplies hospitals, clinics, laboratories and other distributors. Its product range includes dental chairs, scanners, instruments, materials and consumables, alongside maintenance and after-sales support. Aoxin describes distribution coverage across Liaoning, Heilongjiang and Jilin.

The group's FY2025 sustainability report states that its dental centres and laboratories primarily source equipment and supplies through Maotai. It also identifies long-term distribution relationships with A-dec and Shofu. These activities connect the warehouse with both Aoxin's own operations and the wider regional dental-provider market.

Figure 9: Dental products held on warehouse shelving



Source: KGI Research

Figure 10: Tooth sets stored by product type



Source: KGI Research

Figure 11: Internal warehouse aisles and storage racks



Source: KGI Research

Equipment materials and consumables

The product assortment we saw included boxed dental materials, packaged consumables and tooth sets arranged in drawers. Storage varied with product size: larger boxes were held on racks, while smaller materials and samples were grouped in trays and drawers.

Aoxin's owns rights for certain Acteon-Satelec and Shofu products within specified regions. Together with its broader equipment and consumables range, the business serves both capital purchases by dental providers and the materials used in ongoing treatment.

Equipment and supplies generated external revenue of RMB44.140m in FY2025 and RMB18.628m in 1H2026. The interim decline was attributed to lower dental-equipment sales to government hospitals. This differs from the patient-volume and average-billing factors affecting the clinical business in the same period.

Figure 12: Tooth sets in a storage drawer



Source: KGI Research

Figure 13: Packaged dental materials



Source: KGI Research

Figure 14: Dental consumables



Source: KGI Research

Qingaomei's restorative laboratory

We next visited Shenyang Qingaomei Oral Restorative Technology Co., Ltd. Its activities include porcelain crowns, bridges and dentures, which form part of Aoxin's laboratory-services business.

The laboratory had workbenches laid out with dental casts, mounted models and patient-specific work trays. Technicians worked at individual stations, with cases and associated forms kept alongside the relevant workpieces. One station used a computer display showing a dental restoration, while other benches were occupied by model and finishing work.

Aoxin's laboratory business includes both China and Singapore. External revenue was RMB23.890m in FY2025 and RMB14.331m in 1H2026; the interim increase was mainly attributed to Singapore. Qingaomei represents the Shenyang operation within that wider business.

Figure 15: Dental casts and a mounted case



Source: KGI Research

Figure 16: Technicians' laboratory workbenches Figure 17: A digital restoration workstation



Source: KGI Research



Source: KGI Research

Restorative work at the laboratory benches

At the benches, we saw mounted dental models, individual restorations, arch-shaped workpieces and labelled case trays. Manual work took place alongside computer-based design activity, with tools and workpieces arranged at the individual stations.

The workpieces illustrate the laboratory's role in supplying restorations for clinical treatment. Crowns and bridges restore individual teeth or spans, while dentures serve a different restorative need. These products enter the patient's treatment pathway through the dental provider rather than as a separate clinical consultation.

Restorative services also feature in our regional demand projections. We estimate that implant restoration accounts for 24.3% of 2025 dental-service spending in the seven-city Liaoning coverage area, with nonimplant crowns and bridges contributing another 11.5%. These categories have different treatment pathways, but both involve the provision of patient-specific restorations.

Figure 18: Mounted dental models



Source: KGI Research

Figure 19: Individual restorative workpieces



Source: KGI Research

Figure 20: An arch-shaped restorative workpiece



Source: KGI Research

Figure 21: A labelled laboratory case tray



Source: KGI Research

Figure 22: Manual finishing at a laboratory bench



Source: KGI Research

The new Wenhua Road hospital

Our final stop was the new hospital at No. 88-7 Wenhua Road, Shenhe District. Aoxin announced the project on 12 August 2026, with a gross floor area of 2,430 square metres and an estimated investment of RMB35m covering the property and interior fit-out.

The facility's exterior and branded reception were in place when we visited. Inside, we saw the reception counter, waiting space and patient-preparation area. The planned service range includes endodontics, periodontal prevention and treatment, restorative dentistry, implants and orthodontics.

The company's announcement targeted a soft opening by end-September 2026. Full operations are targeted for early November, with planned staffing of more than 80 healthcare professionals and 20 support staff. The two dates refer to separate stages of the opening process.

Figure 23: Wenhua Road hospital exterior



Source: KGI Research

Figure 24: Reception at the new hospital



Source: KGI Research

Waiting and patient preparation areas

The new hospital's waiting area has fitted bench seating, wall signage and circular ceiling-lighting features. The adjoining patient-preparation space includes four washbasins with circular mirrors and a continuous counter.

The areas we saw form part of the new facility's patient-facing layout. The hospital is in Shenyang, alongside Aoxin's existing operations in the city, and will offer several of the same specialist treatment categories identified at No. 6 Hospital.

Shenyang is the largest of the seven Liaoning dental markets in our analysis, with estimated annual spending of RMB1.09bn in 2025 and RMB1.38bn by 2031. The projected increase in residents aged 60 and above shifts the city's treatment mix towards restorative and tooth-replacement services, alongside the general and specialist care offered at the group's hospitals.

Figure 25: Waiting space at the new hospital



Source: KGI Research

Figure 26: Patient brushing and preparation area



Source: KGI Research

Yibao and payment for dental care

Yibao, China's social medical-insurance system, pays for eligible dental treatment under local benefit rules and the applicable service and consumables catalogues. Disease-related therapies such as root-canal treatment, extraction of diseased teeth and basic periodontal care may be reimbursable, while routine implants, orthodontics, dentures and many prosthetic or cosmetic restorations generally remain patient funded. A course of treatment can include both an eligible therapeutic service and a separately funded restoration.

For providers, designated-institution status enables settlement of eligible claims. It does not make the full range of services reimbursable. Aoxin reports that a majority of its centres hold this designation, and identifies cash, cards and Yibao as the usual settlement channels for its clinical services. Its clinical revenues therefore span insurance-eligible care and self-funded treatment.

Implant-price reform affects the amount charged to the patient alongside these payment arrangements. The national framework separates clinical services, the implant system and the crown, and combines service-price governance with centralised procurement. The RMB4,500 benchmark refers to the clinical-service component of a routine single-tooth implant in tertiary public institutions, rather than an all-inclusive package or reimbursement amount. Private institutions retain market-based pricing, with charging transparency requirements.

Liaoning updated its implant-service codes and charging instructions in July 2025. More recently, the NHSA's September 2026 work plan began development of a national medical-service reimbursement catalogue covering an initial 13 categories, including oral implants. This is an ongoing catalogue-development process; routine implant reimbursement still depends on the applicable benefit rules.

Accurate service classification, treatment records and claims data remain part of insurance settlement. National implementing rules effective from April 2026 require designated providers to report complete and accurate information and apply the relevant payment scope and standards. For a dental operator, the mix of eligible therapy and patient-funded restorative work matters both to the sources of payment and to the treatment and materials recorded in the patient's bill.

Figure 27: China's social medical-insurance system



Source: KGI Research

Liaoning dental demand and population ageing

We estimate annual paid dental-service spending across the seven-city Liaoning coverage area at RMB2.71bn in 2025, increasing to RMB3.37bn by 2031. This represents compound annual growth of 3.7% and an additional RMB655.6m of annual market spending over six years. The estimate covers services provided by all dental operators in Shenyang, Huludao, Panjin, Gaizhou, Zhuanghe, Jinzhou and Dalian excluding Zhuanghe. The geographic total is concentrated in Liaoning and combines large urban markets with smaller prefecture and county markets.

Ageing is a common demographic feature across these markets. Liaoning's 2020 census recorded 25.72% of residents aged 60 and above, compared with 18.70% nationally. In our estimates for the seven cities, the older population rises from 6.40m in 2025 to 7.07m in 2031, increasing its share of residents from 27.1% to 30.0%. Total resident population is almost unchanged at approximately 23.6m, while the number of children aged 0–14 declines by 8.6%. The increase in older residents therefore occurs alongside a smaller child cohort and a declining working-age share.

This demographic progression produces different paths for treatment categories. Our projections incorporate more older residents receiving restoration, periodontal treatment and tooth-replacement services. The contraction in children moderates the expansion of orthodontic starts, even with increasing assumed participation. The older age structure shifts our projected treatment mix toward restorative and tooth-replacement services.

Our historical market estimates rise from RMB2.38bn in 2022 to RMB2.77bn in 2023, before easing to RMB2.75bn in 2024 and RMB2.71bn in 2025. The 2023 increase incorporates reopening-related treatment recovery. Subsequent estimates combine slower volume expansion with lower assumed implant and selected treatment prices. From 2025, projected annual growth increases from 2.4% in 2026 to approximately 4.0% in 2031 as assumed treatment participation and prices evolve.

Figure 28: Estimated annual dental-service spending in seven Liaoning cities



YYYY M refers to our modelled estimates*

Source: KGI Research

Shenyang and Dalian account for most spending

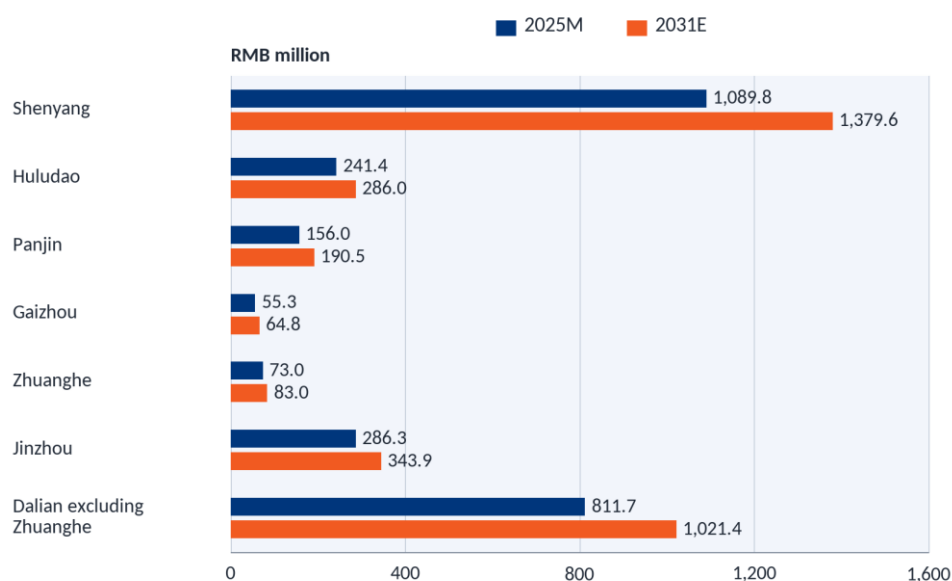
Shenyang and Dalian excluding Zhuanghe account for an estimated 70.1% of the seven-city market in 2025. Their combined resident population of 16.14m represents 68.4% of the selected geographic total. Both cities use 2025 disposable-income benchmarks of approximately RMB52,000, compared with the national figure of RMB43,377. Their larger populations and income benchmarks explain much of the concentration in estimated paid dental spending.

We estimate Shenyang's dental-service market at RMB1.09bn in 2025 and project RMB1.38bn in 2031, equivalent to 4.0% annual growth. Over the same period, our population assumption increases the resident base from 9.28m to 9.44m. Residents aged 60 and above rise from 25.7% to 28.7% of the population, while the number of children falls by 6.8%. The market projection combines modest population expansion with increasing treatment participation and a greater proportion of older residents.

For Dalian excluding Zhuanghe, we estimate spending of RMB811.7m in 2025, rising to RMB1.02bn in 2031 at a 3.9% CAGR. Resident population increases by 1.2% over the period, from 6.87m to 6.95m, while the estimated older share rises from 26.5% to 29.5%. Zhuanghe has a distinct county-market profile, with a higher proportion of older residents than the rest of Dalian.

Together, Shenyang and Dalian account for RMB499.5m, or 76.2%, of the projected increase in seven-city annual spending between 2025 and 2031. Their share of the market consequently rises to 71.3% by 2031. Aoxin's new Wenhua Road hospital adds to its presence in Shenyang, the larger of these two markets, with planned services spanning general care, restorative treatment, implants and orthodontics.

Figure 29: City dental-service demand in 2025 and 2031



Source: KGI Research

Smaller Liaoning cities have different demographic profiles

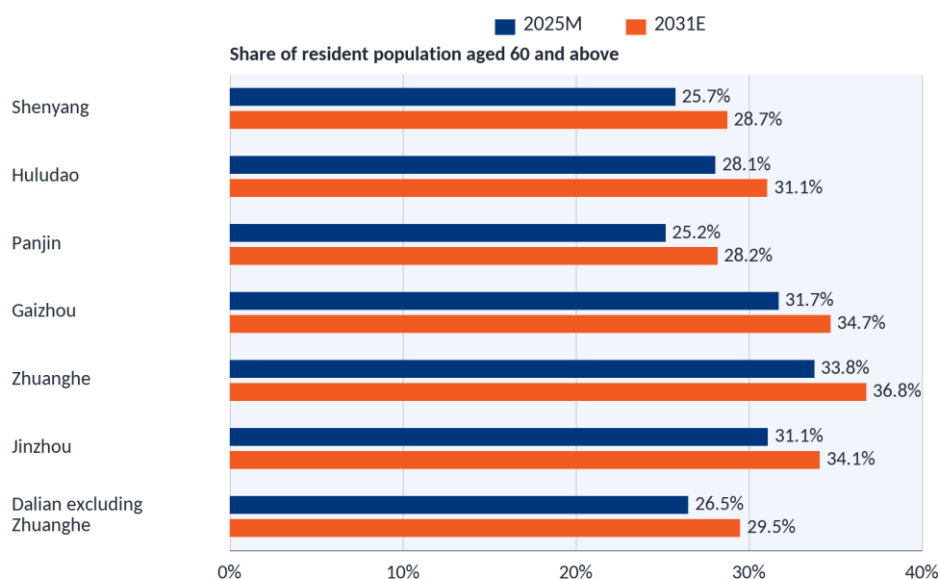
Huludao and Jinzhou are the next two markets by estimated size after Shenyang and Dalian. We estimate 2025 spending of RMB241.4m in Huludao and RMB286.3m in Jinzhou, increasing to RMB286.0m and RMB343.9m respectively by 2031. These projections imply annual growth of 2.9% and 3.1%. Both markets expand in spending despite assumed population declines: 4.7% over six years in Huludao and 4.1% in Jinzhou.

Their age and income profiles differ. Huludao's estimated older share increases from 28.1% in 2025 to 31.1% in 2031; Jinzhou's rises from 31.1% to 34.1%. Their 2025 all-resident income benchmarks are RMB30,878 and RMB36,040 respectively. In these projections, population contraction limits the number of potential customers, while ageing changes the distribution of treatment needs. Increases in assumed paid participation and treatment prices account for spending growth beyond those demographic changes.

Panjin has a smaller population but a higher income benchmark than Huludao and Jinzhou. Using a 2025 disposable-income figure of RMB46,105, we estimate dental spending of RMB156.0m, increasing to RMB190.5m in 2031 at a 3.4% CAGR. Population declines by 1.8% over the period, while the estimated share aged 60 and above rises from 25.2% to 28.2%. Its smaller resident base is accompanied by a higher household-income benchmark than several surrounding markets.

Gaizhou and Zhuanghe are smaller, older county markets. Their estimated 2025 spending is RMB55.3m and RMB73.0m, rising to RMB64.8m and RMB83.0m in 2031. The older shares reach 34.7% and 36.8% respectively, while child populations fall by 14.3% and 18.3%. Their annual market growth of 2.7% and 2.2% incorporates population contraction and the stated rural-income affordability proxies. Older age structures increase the relative weight of restorative services, while the shrinking population constrains the overall market.

Figure 30: Projected share of residents aged 60 and above



Source: KGI Research

Implant restoration gains a larger share of spending

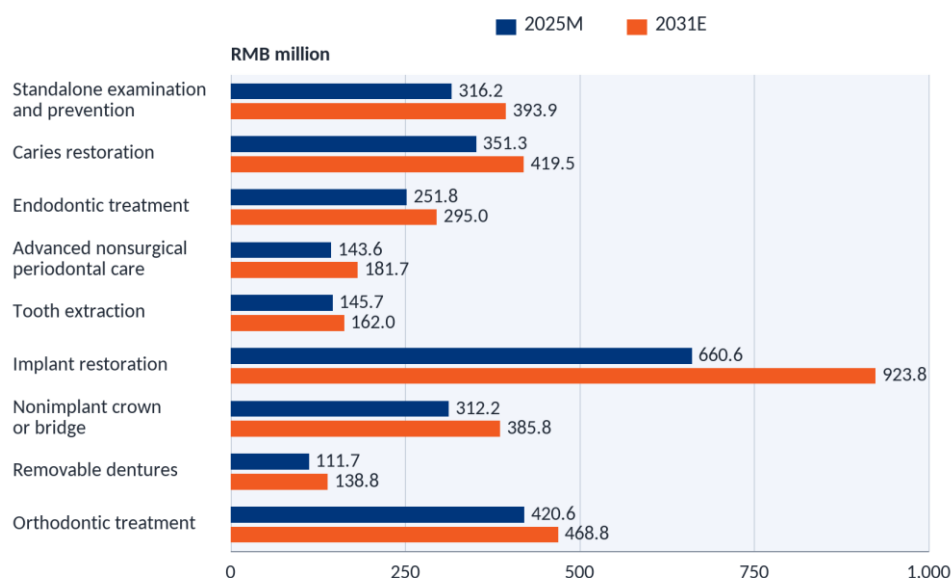
Implant restoration is the largest of the nine estimated service categories. We estimate spending of RMB660.6m across the seven cities in 2025, increasing to RMB923.8m in 2031 at a 5.7% CAGR. Its share rises from 24.3% to 27.4%, and its RMB263.2m increase accounts for 40.1% of the projected expansion in total market spending. This path incorporates more older residents, 4% annual growth in assumed implant uptake after 2025 and the stated future price assumptions.

Treatment volume and spending can nevertheless move at different rates. Our historical estimates use an implant package price that declines from RMB8,000 in 2022 to RMB5,500 in 2025 before local income adjustments. The package includes the implant, abutment and crown. Consequently, the assumed expansion in implant units during this period translates into a smaller increase in spending than it would at unchanged prices.

General and restorative services remain a substantial part of the market. We project standalone examination and prevention spending to increase from RMB316.2m in 2025 to RMB393.9m in 2031, and caries restoration from RMB351.3m to RMB419.5m. Endodontic treatment rises from RMB251.8m to RMB295.0m. Advanced nonsurgical periodontal care increases from RMB143.6m to RMB181.7m, equivalent to 4.0% annual growth. Nonimplant crowns and bridges rise from RMB312.2m to RMB385.8m, while removable dentures increase from RMB111.7m to RMB138.8m. Extraction spending grows more slowly, from RMB145.7m to RMB162.0m.

Orthodontic spending increases from RMB420.6m to RMB468.8m, a 1.8% CAGR, and its share falls from 15.5% to 13.9%. Rising assumed participation is partly offset by fewer children.

Figure 31: Estimated spending by dental service



Source: KGI Research

Illustrative central and southern city markets

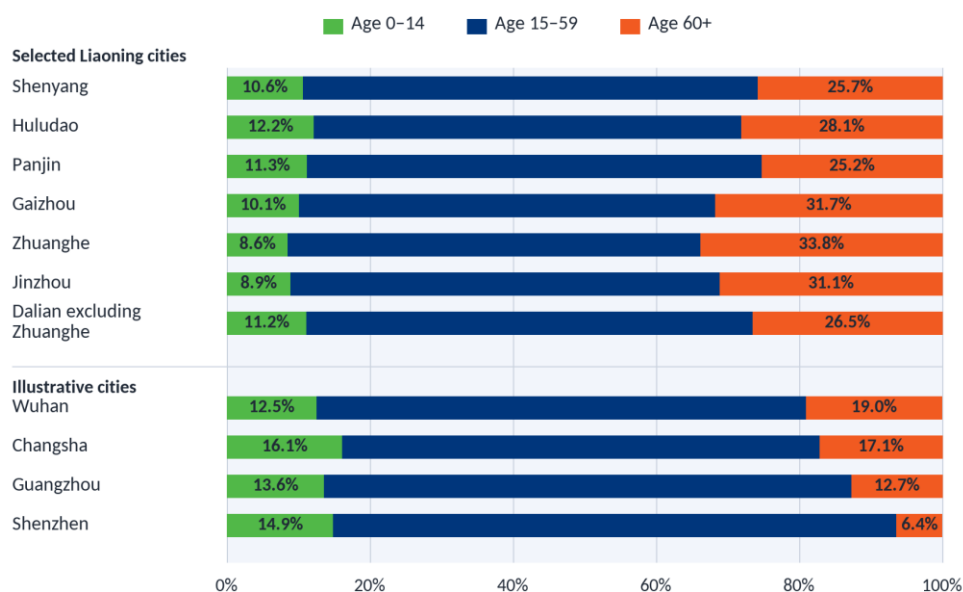
Wuhan, Changsha, Guangzhou and Shenzhen provide illustrative comparisons with the Liaoning markets. Their larger populations, younger age profiles and higher income benchmarks produce different estimated service markets. They are comparison scenarios rather than confirmed Aoxin locations and remain outside the seven-city total.

For the central-China comparison, we estimate combined spending of RMB2.89bn in Wuhan and Changsha in 2025, increasing to RMB3.69bn in 2031 at a 4.1% CAGR. Wuhan contributes RMB1.63bn initially and RMB2.06bn in 2031; Changsha increases from RMB1.26bn to RMB1.64bn. Their combined 2025 population is 24.58m, slightly larger than the seven selected cities together. The 2025 disposable-income benchmarks are RMB62,530 for Wuhan and RMB66,396 for Changsha.

The estimated older shares are 19.0% in Wuhan and 17.1% in Changsha in 2025, compared with 27.1% across the selected Liaoning cities. Changsha also has a larger child share, at 16.1%. By 2031, its child population increases by approximately 1.0% under the stated population assumptions, whereas Wuhan's declines by 2.8%. These differences produce distinct balances between child-related services and older-age restoration in our demand projections.

For Guangzhou and Shenzhen, we estimate combined spending of RMB4.40bn in 2025 and RMB5.65bn in 2031, implying 4.3% annual growth. Guangzhou increases from RMB2.29bn to RMB2.89bn and Shenzhen from RMB2.11bn to RMB2.76bn. Their 2025 income benchmarks are RMB80,591 and RMB84,945, while estimated older shares are 12.7% and 6.4%. Higher income supports the price levels used in our spending estimates, while the younger age profile has a smaller older-age restoration component. Under the stated projections, child populations increase by 1.4% in Guangzhou and 4.0% in Shenzhen, providing a different demographic setting from the declining child cohorts in the current Liaoning markets.

Figure 32: Estimated age profiles across selected city markets in 2025

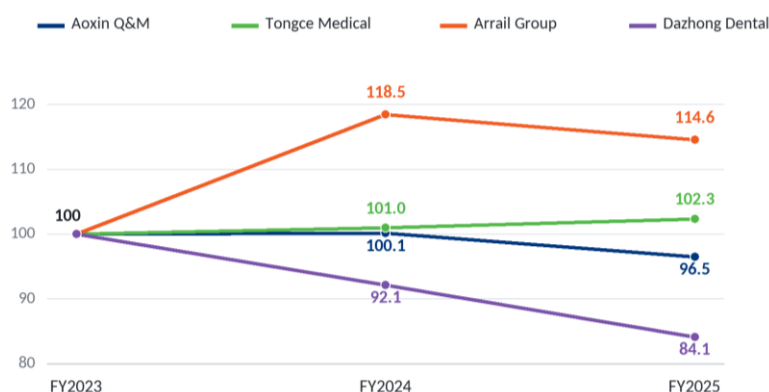


Source: KGI Research

Revenue trends among listed dental operators

Listed dental operators have reported different revenue and patient-volume paths over the past three published annual periods. Tongce's revenue rose gradually, Arrail recovered in FY2024 before declining in FY2025, and Dazhong reported two years of lower revenue. Aoxin's revenue was broadly unchanged in FY2024 before falling in FY2025. The service mix and regional footprint behind each series differ.

Figure 33: Revenue indexed to FY2023



Source: KGI Research

Figure 34: Three-year reported revenue and PATMI

RMB million	FY2023	FY2024	FY2025
Aoxin Q&M revenue	177.3	177.5	171.0
Aoxin Q&M PATMI	(47.3)	(8.0)	7.0
Tongce Medical revenue	2,846.5	2,873.8	2,913.1
Tongce Medical PATMI	500.4	501.0	501.9
Arrail Group revenue	1,473.7	1,745.8	1,688.4
Arrail Group PATMI	(219.9)	17.2	22.0
Dazhong Dental revenue	441.8	407.1	371.6
Dazhong Dental PATMI	50.1	41.9	28.2

Source: Company Reports, KGI Research

Hospital networks and patient activity in China

Tongce's Zhejiang-centred network

Tongce Medical (600763 SH) reported revenue of RMB2,846.5m in 2023 and RMB2,913.1m in 2025, with attributable profit remaining around RMB500m. Visits increased from 3.353m to 3.574m. In 2025, revenue rose 1.4% and visits 1.1%; orthodontic revenue increased 7.6%, while implant and paediatric revenue fell 2.1% and 2.7%.

At the end of 2025, Tongce had 89 medical institutions and 3,180 chairs, centred on Zhejiang. Medical services represented 94.9% of group revenue, compared with primary healthcare at 60.2% for Aoxin. Tongce's hospital and branch network shares the regional structure seen in Aoxin, with a substantially larger clinical revenue base.

Arrail's premium and middle-market brands

Arrail Group (6639 HK) operates Arrail Dental for affluent consumers in Tier-1 and emerging Tier-1 cities and Rytime Dental for middle-market customers. In March 2025, it had 118 locations across 15 cities and 1,566 chairs. Its March-year revenue increased 18.5% in FY2024, then declined 3.3% in FY2025. Visits grew 28.1% and 0.3%, respectively; the latest annual report attributed the revenue decline to lower treatment prices.

Arrail moved from an attributable loss of RMB219.9m in FY2023 to profits of RMB17.2m and RMB22.0m. Its wider geographic and dual-brand network differs from Aoxin's Liaoning concentration. Ancillary materials, equipment and denture manufacturing represented 5.2% of March FY2025 revenue, compared with 39.8% for Aoxin's distribution and laboratory segments in calendar FY2025.

Figure 35: Patient and customer visits reported by listed chains



Source: Company Data, KGI Research

Regional chains and the dental service mix

Wuhan Dazhong Dental Medical (2651 HK), listed in July 2025, reported revenue of RMB441.8m in 2023, RMB407.1m in 2024 and RMB371.6m in 2025. Attributable profit declined from RMB50.1m to RMB41.9m and RMB28.2m, while visits fell from 0.769m to 0.749m and 0.729m. Its prospectus linked the 2024 general-dentistry visit decline to relocations and renovations, cautious marketing outside Wuhan and normalisation following the post-pandemic surge.

In 2025, Dazhong's general-dentistry and implant visits declined. Orthodontic visits increased 1.1%, but related revenue fell 4.7% on lower average spending per customer. These movements, alongside Arrail's lower prices and broadly stable FY2025 visits, show why procedure volumes and spending need to be read together. Tongce's 2023 implant count rose 47%, while implant revenue increased 7.0% during the implementation of procurement and service-fee reforms.

Dazhong's regional network had 92 institutions in eight Hubei and Hunan cities at December 2025: four hospitals, 80 outpatient departments and eight clinics. Its revenues were grouped into general dentistry, implants and orthodontics. Aoxin serves a different regional population and reports a larger separate contribution from distribution and laboratory activities, which we saw during the Maotai and Qingaomei visits.

Figure 36: Dated operating footprints of the listed groups

Company	Date	Institutions	Chairs	Regional base
Aoxin Q&M	Dec 2025	14	213	Liaoning
Tongce Medical	Dec 2025	89	3,180	Zhejiang-centred
Arrail Group	Mar 2025	118	1,566	15 Chinese cities
Dazhong Dental	Dec 2025	92	Not stated	Hubei and Hunan

Source: Company Data, KGI Research

Appendix Market demand by city and service

M denotes historical market estimates and E market projections*

Figure 37: Annual dental-service demand by city

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Shenyang	942.1	1,100.8	1,100.3	1,089.8	1,119.8	1,166.6	1,216.3	1,268.3	1,322.7	1,379.6
Huludao	217.1	249.8	246.6	241.4	245.3	252.8	260.6	268.8	277.2	286.0
Panjin	138.4	159.8	158.6	156.0	159.4	165.0	171.0	177.3	183.8	190.5
Gaizhou	50.0	57.6	56.6	55.3	56.1	57.7	59.4	61.2	62.9	64.8
Zhuanghe	67.3	77.0	75.1	73.0	73.7	75.5	77.3	79.1	81.0	83.0
Jinzhou	256.0	297.3	291.9	286.3	291.7	301.2	311.3	321.8	332.6	343.9
Dalian ex Zhuanghe	706.3	822.7	820.9	811.7	833.2	867.2	903.2	940.9	980.3	1,021.4
Anshan	322.6	372.5	367.2	359.5	365.4	376.5	388.3	400.4	413.0	426.1
Wuhan	1,421.0	1,650.3	1,647.8	1,630.2	1,673.0	1,741.7	1,815.0	1,891.5	1,971.5	2,055.1
Changsha	1,081.7	1,260.9	1,270.0	1,264.0	1,302.5	1,361.9	1,425.5	1,492.3	1,562.3	1,635.8
Guangzhou	1,984.7	2,302.5	2,309.8	2,287.1	2,346.9	2,444.2	2,548.4	2,657.2	2,771.0	2,889.9
Shenzhen	1,798.0	2,090.6	2,111.4	2,109.7	2,177.2	2,280.7	2,391.9	2,508.8	2,631.7	2,760.8
Seven-city Liaoning market	2,377.3	2,765.1	2,750.1	2,713.6	2,779.3	2,885.9	2,999.2	3,117.4	3,240.6	3,369.2
Footprint for reported-revenue comparison	2,699.9	3,137.6	3,117.3	2,713.6	2,779.3	2,885.9	2,999.2	3,117.4	3,240.6	3,369.2
Illustrative Central China cities	2,502.7	2,911.2	2,917.8	2,894.2	2,975.5	3,103.6	3,240.5	3,383.8	3,533.9	3,690.9
Illustrative Southern China cities	3,782.7	4,393.1	4,421.3	4,396.8	4,524.0	4,724.9	4,940.3	5,166.1	5,402.7	5,650.7
Seven-city market YoY	—	16.3%	-0.5%	-1.3%	2.4%	3.8%	3.9%	3.9%	4.0%	4.0%

Source: KGI Research estimates; population statistics and company data.

Figure 38: Seven-city demand by treatment category

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Standalone paid exam and prevention	263.6	320.2	314.6	316.2	325.3	337.9	351.1	364.9	379.1	393.9
Caries restoration	291.9	357.3	355.6	351.3	358.8	370.2	381.9	394.1	406.6	419.5
Endodontic treatment	214.3	260.1	257.0	251.8	256.4	263.7	271.2	278.9	286.8	295.0
Advanced nonsurgical periodontal care	120.5	147.0	145.4	143.6	148.1	154.3	160.7	167.4	174.4	181.7
Tooth extraction	120.0	141.6	144.2	145.7	147.1	149.9	152.9	155.8	158.9	162.0
Implant restoration	590.8	667.1	657.6	660.6	692.9	734.0	777.5	823.5	872.2	923.8
Nonimplant crown or bridge	278.0	329.2	322.1	312.2	320.8	332.9	345.4	358.4	371.8	385.8
Removable dentures	92.5	113.9	113.3	111.7	114.9	119.3	124.0	128.7	133.7	138.8
Orthodontic treatment	405.7	428.6	440.4	420.6	415.1	423.7	434.6	445.7	457.1	468.8
Seven-city Liaoning market	2,377.3	2,765.1	2,750.1	2,713.6	2,779.3	2,885.9	2,999.2	3,117.4	3,240.6	3,369.2
Service sum / headline difference	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

Source: KGI Research estimates; population statistics and company data.

Appendix Historical operating comparisons

Figure 39: Reported direct dental revenue and modelled footprint share

Line item	2022	2023	2024	2025
Reported direct dental services (RMB mn, A)	85.8	108.8	104.3	97.7
Indicative footprint market share	3.2%	3.5%	3.3%	3.6%

Source: KGI Research estimates; population statistics and company data.

Figure 40: Independent national scale diagnostic

Line item	2022M	2023M	2024M	2025M
Model annual spend per resident (RMB)	94.1	109.1	108.9	107.3
Model nationwide demand (RMB bn)	132.9	154.0	153.8	151.5
External F&S dental market (RMB bn)	123.4	144.6	147.2	—
Model / external benchmark	1.08	1.06	1.04	—
Treatment visit-equivalents per resident	0.263	0.311	0.318	0.322
Revenue per visit-equivalent (RMB)	357.4	351.2	342.7	333.6

Source: KGI Research estimates; population statistics and company data.

Figure 41: Historical Aoxin operating productivity

Line item	2022A	2023A	2024A	2025A
Direct dental-service revenue (RMB000)	85,753	108,795	104,327	97,682
Reported chairs	250	250	236	213
Reported dentists	174	156	146	138
Revenue per chair (RMB000)	343.0	435.2	442.1	458.6
Revenue per dentist (RMB000)	492.8	697.4	714.6	707.8
Implied visits/chair at RMB812/visit	422	536	544	565
Implied visits/chair at RMB544/visit	631	800	813	843

Source: KGI Research estimates; population statistics and company data.

Appendix Annual treatment rates and prices A

Figure 42: Standalone paid exam and prevention — Paid prevention bundle

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Age 0–14 paid units per 1,000	90.0	106.2	108.0	108.9	112.2	115.5	119.0	122.6	126.2	130.0
Age 15–59 paid units per 1,000	80.0	94.4	96.0	96.8	99.7	102.7	105.8	108.9	112.2	115.6
Age 60+ paid units per 1,000	60.0	70.8	72.0	72.6	74.8	77.0	79.3	81.7	84.2	86.7
Age 0–14 ASP per complete unit (RMB)	100.0	105.0	105.0	105.0	105.0	106.0	107.1	108.2	109.3	110.4
Age 15–59 ASP per complete unit (RMB)	150.0	155.0	150.0	150.0	150.0	151.5	153.0	154.5	156.1	157.7
Age 60+ ASP per complete unit (RMB)	150.0	155.0	150.0	150.0	150.0	151.5	153.0	154.5	156.1	157.7

Source: KGI Research estimates; population statistics and company data.

Figure 43: Caries restoration — Non-endo filled tooth

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Age 0–14 paid units per 1,000	40.0	47.2	48.0	48.4	49.4	50.4	51.4	52.4	53.4	54.5
Age 15–59 paid units per 1,000	45.0	53.1	54.0	54.4	55.5	56.6	57.8	58.9	60.1	61.3
Age 60+ paid units per 1,000	60.0	70.8	72.0	72.6	74.1	75.5	77.0	78.6	80.2	81.8
Age 0–14 ASP per complete unit (RMB)	250.0	260.0	255.0	250.0	250.0	252.5	255.0	257.6	260.2	262.8
Age 15–59 ASP per complete unit (RMB)	250.0	260.0	255.0	250.0	250.0	252.5	255.0	257.6	260.2	262.8
Age 60+ ASP per complete unit (RMB)	250.0	260.0	255.0	250.0	250.0	252.5	255.0	257.6	260.2	262.8

Source: KGI Research estimates; population statistics and company data.

Figure 44: Endodontic treatment — Root-canal course per tooth

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Age 0–14 paid units per 1,000	4.0	4.7	4.8	4.8	4.9	5.0	5.1	5.1	5.2	5.3
Age 15–59 paid units per 1,000	10.0	11.8	12.0	12.1	12.3	12.5	12.7	12.8	13.0	13.2
Age 60+ paid units per 1,000	15.0	17.7	18.0	18.1	18.4	18.7	19.0	19.3	19.6	19.8
Age 0–14 ASP per complete unit (RMB)	500.0	520.0	510.0	500.0	500.0	505.0	510.1	515.2	520.3	525.5
Age 15–59 ASP per complete unit (RMB)	850.0	875.0	850.0	825.0	825.0	833.2	841.6	850.0	858.5	867.1
Age 60+ ASP per complete unit (RMB)	850.0	875.0	850.0	825.0	825.0	833.2	841.6	850.0	858.5	867.1

Source: KGI Research estimates; population statistics and company data.

Appendix Annual treatment rates and prices B

Rates are annual paid units per 1,000 people. Prices are RMB per service unit before local income adjustment. All market columns are estimates.

Figure 45: Advanced nonsurgical periodontal care — Paid periodontal course

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Age 0–14 paid units per 1,000	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Age 15–59 paid units per 1,000	5.0	5.9	6.0	6.0	6.2	6.4	6.5	6.7	6.8	7.0
Age 60+ paid units per 1,000	12.0	14.2	14.4	14.5	14.9	15.3	15.6	16.0	16.4	16.8
Age 0–14 ASP per complete unit (RMB)	800.0	825.0	800.0	780.0	780.0	787.8	795.7	803.6	811.7	819.8
Age 15–59 ASP per complete unit (RMB)	800.0	825.0	800.0	780.0	780.0	787.8	795.7	803.6	811.7	819.8
Age 60+ ASP per complete unit (RMB)	800.0	825.0	800.0	780.0	780.0	787.8	795.7	803.6	811.7	819.8

Source: KGI Research estimates; population statistics and company data.

Figure 46: Tooth extraction — Extracted tooth

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Age 0–14 paid units per 1,000	12.0	14.2	14.4	14.5	14.6	14.7	14.7	14.8	14.9	15.0
Age 15–59 paid units per 1,000	22.0	26.0	26.4	26.6	26.8	26.9	27.0	27.2	27.3	27.4
Age 60+ paid units per 1,000	45.0	53.1	54.0	54.4	54.7	55.0	55.3	55.5	55.8	56.1
Age 0–14 ASP per complete unit (RMB)	80.0	80.0	80.0	80.0	80.0	80.8	81.6	82.4	83.2	84.1
Age 15–59 ASP per complete unit (RMB)	200.0	200.0	200.0	200.0	200.0	202.0	204.0	206.1	208.1	210.2
Age 60+ ASP per complete unit (RMB)	180.0	180.0	180.0	180.0	180.0	181.8	183.6	185.5	187.3	189.2

Source: KGI Research estimates; population statistics and company data.

Figure 47: Implant restoration — Implant unit incl abutment and crown

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Age 0–14 paid units per 1,000	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Age 15–59 paid units per 1,000	2.0	2.9	3.0	3.2	3.3	3.5	3.6	3.7	3.9	4.0
Age 60+ paid units per 1,000	7.0	10.2	10.6	11.2	11.6	12.1	12.6	13.1	13.6	14.2
Age 0–14 ASP per complete unit (RMB)	8,000.0	6,200.0	5,800.0	5,500.0	5,500.0	5,555.0	5,610.6	5,666.7	5,723.3	5,780.6
Age 15–59 ASP per complete unit (RMB)	8,000.0	6,200.0	5,800.0	5,500.0	5,500.0	5,555.0	5,610.6	5,666.7	5,723.3	5,780.6
Age 60+ ASP per complete unit (RMB)	8,000.0	6,200.0	5,800.0	5,500.0	5,500.0	5,555.0	5,610.6	5,666.7	5,723.3	5,780.6

Source: KGI Research estimates; population statistics and company data.

Appendix Annual treatment rates and prices C

Figure 48: Nonimplant crown or bridge — Natural-tooth crown or bridge unit

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Age 0–14 paid units per 1,000	0.5	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.7
Age 15–59 paid units per 1,000	7.0	8.3	8.4	8.5	8.6	8.8	9.0	9.2	9.4	9.5
Age 60+ paid units per 1,000	20.0	23.6	24.0	24.2	24.7	25.2	25.7	26.2	26.7	27.3
Age 0–14 ASP per complete unit (RMB)	900.0	900.0	850.0	800.0	800.0	808.0	816.1	824.2	832.5	840.8
Age 15–59 ASP per complete unit (RMB)	1,200.0	1,200.0	1,150.0	1,100.0	1,100.0	1,111.0	1,122.1	1,133.3	1,144.7	1,156.1
Age 60+ ASP per complete unit (RMB)	1,200.0	1,200.0	1,150.0	1,100.0	1,100.0	1,111.0	1,122.1	1,133.3	1,144.7	1,156.1

Source: KGI Research estimates; population statistics and company data.

Figure 49: Removable dentures — Single-jaw removable denture course

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Age 0–14 paid units per 1,000	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Age 15–59 paid units per 1,000	0.8	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.1
Age 60+ paid units per 1,000	8.0	9.4	9.6	9.7	9.8	10.0	10.1	10.3	10.4	10.6
Age 0–14 ASP per complete unit (RMB)	1,500.0	1,550.0	1,500.0	1,450.0	1,450.0	1,464.5	1,479.1	1,493.9	1,508.9	1,524.0
Age 15–59 ASP per complete unit (RMB)	1,500.0	1,550.0	1,500.0	1,450.0	1,450.0	1,464.5	1,479.1	1,493.9	1,508.9	1,524.0
Age 60+ ASP per complete unit (RMB)	1,500.0	1,550.0	1,500.0	1,450.0	1,450.0	1,464.5	1,479.1	1,493.9	1,508.9	1,524.0

Source: KGI Research estimates; population statistics and company data.

Figure 50: Orthodontic treatment — New course starts

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Age 0–14 paid units per 1,000	8.0	8.8	9.0	9.2	9.4	9.7	9.9	10.2	10.4	10.7
Age 15–59 paid units per 1,000	1.5	1.7	1.7	1.7	1.8	1.8	1.9	1.9	2.0	2.0
Age 60+ paid units per 1,000	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Age 0–14 ASP per complete unit (RMB)	8,000.0	8,200.0	7,800.0	7,500.0	7,500.0	7,575.0	7,650.8	7,727.3	7,804.5	7,882.6
Age 15–59 ASP per complete unit (RMB)	10,000.0	10,250.0	9,500.0	9,000.0	9,000.0	9,090.0	9,180.9	9,272.7	9,365.4	9,459.1
Age 60+ ASP per complete unit (RMB)	10,000.0	10,250.0	9,500.0	9,000.0	9,000.0	9,090.0	9,180.9	9,272.7	9,365.4	9,459.1

Source: KGI Research estimates; population statistics and company data.

Appendix Demographic and income reference inputs

Figure 51: Census age shares and city projection assumptions

City	2020 age 0–14	2020 age 15–59	2020 age 60+	Annual child change pp	Annual senior change pp	Pop growth after 2025	Income base RMB	Income year	Income growth
Shenyang	11.40%	65.36%	23.24%	-0.15	0.50	0.30%	51,827	2025	4.0%
Huludao	12.90%	61.55%	25.55%	-0.15	0.50	-0.80%	30,878	2025	4.0%
Panjin	12.02%	65.32%	22.67%	-0.15	0.50	-0.30%	46,105	2025	4.0%
Gaizhou	10.83%	59.96%	29.21%	-0.15	0.50	-1.00%	26,355	2024	4.0%
Zhuanghe	9.31%	59.41%	31.27%	-0.15	0.50	-1.50%	29,185	2025	4.0%
Jinzhou	9.69%	61.72%	28.59%	-0.15	0.50	-0.70%	36,040	2025	4.5%
Dalian ex Zhuanghe	11.91%	64.11%	23.99%	-0.15	0.50	0.20%	52,007	2025	4.0%
Anshan	10.45%	62.29%	27.26%	-0.15	0.50	-0.80%	38,980	2024	4.0%
Wuhan	13.05%	69.72%	17.23%	-0.10	0.35	0.35%	62,530	2025	4.0%
Changsha	16.64%	68.03%	15.33%	-0.10	0.35	0.80%	66,396	2025	4.0%
Guangzhou	13.87%	74.72%	11.41%	-0.05	0.25	0.60%	80,591	2025	3.5%
Shenzhen	15.11%	79.53%	5.36%	-0.05	0.20	1.00%	84,945	2025	4.5%

Source: Population census, city statistical releases and KGI Research estimates.

Appendix Shenyang demographics and spending

Figure 52: Shenyang population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Shenyang population and market inputs										
Resident population (persons)	9,147,000	9,204,000	9,243,000	9,276,000	9,303,828	9,331,739	9,359,735	9,387,814	9,415,977	9,444,225
Age 0–14 population	1,014,961	1,007,480	997,885	987,533	976,540	965,472	954,329	943,110	931,816	920,445
Age 15–59 population	5,914,562	5,919,205	5,911,936	5,900,577	5,885,716	5,870,712	5,855,565	5,840,274	5,824,839	5,809,259
Age 60+ population	2,217,476	2,277,315	2,333,179	2,387,889	2,441,572	2,495,555	2,549,841	2,604,429	2,659,323	2,714,522
Age 60+ share	24.2%	24.7%	25.2%	25.7%	26.2%	26.7%	27.2%	27.7%	28.2%	28.7%
Relative city service-price factor	1.06	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Shenyang demographic profile										
Resident population (persons)	9,147,000	9,204,000	9,243,000	9,276,000	9,303,828	9,331,739	9,359,735	9,387,814	9,415,977	9,444,225
Population evidence	Reported actual	Reported actual	Reported actual	Reported actual	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	11.1%	10.9%	10.8%	10.6%	10.5%	10.3%	10.2%	10.0%	9.9%	9.7%
Model age 15–59 share	64.7%	64.3%	64.0%	63.6%	63.3%	62.9%	62.6%	62.2%	61.9%	61.5%
Model age 60+ share	24.2%	24.7%	25.2%	25.7%	26.2%	26.7%	27.2%	27.7%	28.2%	28.7%
Model annual disposable income (RMB)	46,074	47,917	49,834	51,827	53,900	56,056	58,298	60,630	63,055	65,578
Shenyang annual spending by service										
Standalone paid exam and prevention	105.8	129.1	127.5	128.6	132.7	138.3	144.2	150.3	156.6	163.3
Caries restoration	116.2	143.0	143.0	141.8	145.3	150.4	155.7	161.1	166.8	172.6
Endodontic treatment	85.2	103.9	103.2	101.5	103.7	106.9	110.3	113.8	117.5	121.2
Advanced nonsurgical periodontal care	47.5	58.3	57.9	57.4	59.4	62.1	64.9	67.8	70.9	74.1
Tooth extraction	47.5	56.4	57.7	58.5	59.3	60.6	62.0	63.4	64.9	66.4
Implant restoration	231.3	262.6	260.1	262.4	276.2	293.6	312.1	331.7	352.5	374.6
Nonimplant crown or bridge	109.3	130.1	127.9	124.4	128.3	133.6	139.1	144.8	150.8	156.9
Removable dentures	35.6	44.1	44.1	43.7	45.1	47.1	49.1	51.2	53.3	55.6
Orthodontic treatment	163.6	173.3	178.9	171.6	169.9	174.0	179.0	184.2	189.5	194.9
Total dental-service demand	942.1	1,100.8	1,100.3	1,089.8	1,119.8	1,166.6	1,216.3	1,268.3	1,322.7	1,379.6
Shenyang treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	3.0	4.4	4.6	4.9	5.2	5.4	5.7	6.0	6.3	6.6
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	103.0	119.6	119.0	117.5	120.4	125.0	130.0	135.1	140.5	146.1
Treatment visit-equivalents (not unique users)	2,451,096	2,926,926	3,011,537	3,066,519	3,151,052	3,238,889	3,329,357	3,422,543	3,518,535	3,617,424
Visits per resident	0.268	0.318	0.326	0.331	0.339	0.347	0.356	0.365	0.374	0.383
Revenue / visit-equivalent (RMB)	384.4	376.1	365.4	355.4	355.4	360.2	365.3	370.6	375.9	381.4
Estimated market YoY growth	—	16.8%	-0.0%	-1.0%	2.8%	4.2%	4.3%	4.3%	4.3%	4.3%
2025–2031 market CAGR	4.0%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Shenyang annual treatment demand

Figure 53: Shenyang annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	91,347	106,994	107,772	107,542	109,536	111,543	113,563	115,595	117,637	119,688
Exam / prevention / 15-59	473,165	558,773	567,546	571,176	586,829	602,893	619,378	636,294	653,650	671,459
Exam / prevention / 60+	133,049	161,234	167,989	173,361	182,576	192,211	202,284	212,813	223,817	235,317
Filling / 0-14	40,598	47,553	47,898	47,797	48,210	48,617	49,017	49,409	49,794	50,170
Filling / 15-59	266,155	314,310	319,245	321,286	326,887	332,575	338,351	344,217	350,173	356,221
Filling / 60+	133,049	161,234	167,989	173,361	180,803	188,497	196,449	204,668	213,161	221,938
Root canal / 0-14	4,060	4,755	4,790	4,780	4,797	4,814	4,830	4,845	4,859	4,871
Root canal / 15-59	59,146	69,847	70,943	71,397	72,285	73,183	74,089	75,004	75,928	76,860
Root canal / 60+	33,262	40,308	41,997	43,340	44,979	46,663	48,394	50,171	51,997	53,872
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	29,573	34,923	35,472	35,698	36,499	37,316	38,150	39,002	39,871	40,759
Periodontal course / 60+	26,610	32,247	33,598	34,672	36,338	38,070	39,870	41,742	43,687	45,709
Extraction / 0-14	12,180	14,266	14,370	14,339	14,250	14,159	14,066	13,970	13,872	13,771
Extraction / 15-59	130,120	153,663	156,075	157,073	157,461	157,845	158,225	158,601	158,973	159,340
Extraction / 60+	99,786	120,925	125,992	130,021	133,608	137,245	140,932	144,669	148,456	152,296
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	11,829	17,166	17,972	18,882	19,588	20,319	21,077	21,863	22,678	23,522
Implant package / 60+	15,522	23,115	24,825	26,744	28,439	30,231	32,124	34,124	36,237	38,469
Crown / bridge unit / 0-14	507	594	599	597	603	608	613	618	622	627
Crown / bridge unit / 15-59	41,402	48,893	49,660	49,978	50,849	51,734	52,632	53,545	54,471	55,412
Crown / bridge unit / 60+	44,350	53,745	55,996	57,787	60,268	62,832	65,483	68,223	71,054	73,979
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	4,732	5,588	5,675	5,712	5,783	5,855	5,927	6,000	6,074	6,149
Denture course / 60+	17,740	21,498	22,399	23,115	23,989	24,887	25,810	26,758	27,732	28,732
Orthodontic new starts / 0-14	8,120	8,866	9,021	9,085	9,209	9,332	9,455	9,577	9,699	9,820
Orthodontic new starts / 15-59	8,872	9,767	10,021	10,178	10,407	10,640	10,878	11,120	11,368	11,621
Orthodontic new starts / 60+	111	125	132	137	144	151	158	165	173	181

Source: KGI Research estimates; population statistics and company data.

Appendix Huludao demographics and spending

Figure 54: Huludao population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Huludao population and market inputs										
Resident population (persons)	2,360,000	2,337,000	2,318,000	2,299,456	2,281,060	2,262,812	2,244,709	2,226,752	2,208,938	2,191,266
Age 0–14 population	297,360	290,956	285,114	279,384	273,727	268,143	262,631	257,190	251,819	246,517
Age 15–59 population	1,436,060	1,413,885	1,394,277	1,375,075	1,356,090	1,337,322	1,318,767	1,300,423	1,282,288	1,264,361
Age 60+ population	626,580	632,158	638,609	644,997	651,243	657,347	663,312	669,139	674,830	680,388
Age 60+ share	26.6%	27.1%	27.6%	28.1%	28.5%	29.0%	29.5%	30.0%	30.6%	31.1%
Relative city service-price factor	0.93	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92	0.92
Huludao demographic profile										
Resident population (persons)	2,360,000	2,337,000	2,318,000	2,299,456	2,281,060	2,262,812	2,244,709	2,226,752	2,208,938	2,191,266
Population evidence	Reported actual	Reported actual	Reported actual	Analyst estimate	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	12.6%	12.4%	12.3%	12.2%	12.0%	11.9%	11.7%	11.6%	11.4%	11.2%
Model age 15–59 share	60.9%	60.5%	60.1%	59.8%	59.5%	59.1%	58.8%	58.4%	58.1%	57.7%
Model age 60+ share	26.6%	27.1%	27.6%	28.1%	28.5%	29.0%	29.5%	30.0%	30.6%	31.1%
Model annual disposable income (RMB)	27,450	28,548	29,690	30,878	32,113	33,398	34,734	36,123	37,568	39,071
Huludao annual spending by service										
Standalone paid exam and prevention	23.7	28.5	27.8	27.7	28.3	29.2	30.1	31.0	32.0	33.0
Caries restoration	26.5	32.1	31.7	31.1	31.5	32.2	33.0	33.8	34.6	35.4
Endodontic treatment	19.3	23.2	22.7	22.1	22.3	22.8	23.3	23.7	24.2	24.7
Advanced nonsurgical periodontal care	10.9	13.2	12.9	12.7	13.0	13.4	13.9	14.3	14.8	15.3
Tooth extraction	10.8	12.7	12.8	12.8	12.9	13.0	13.2	13.3	13.5	13.6
Implant restoration	53.9	60.2	58.9	58.7	61.1	64.2	67.5	71.0	74.6	78.4
Nonimplant crown or bridge	25.3	29.6	28.8	27.7	28.2	29.0	29.9	30.8	31.7	32.6
Removable dentures	8.6	10.5	10.3	10.1	10.3	10.6	10.9	11.3	11.6	12.0
Orthodontic treatment	38.0	39.9	40.7	38.6	37.8	38.3	38.9	39.6	40.3	41.1
Total dental-service demand	217.1	249.8	246.6	241.4	245.3	252.8	260.6	268.8	277.2	286.0
Huludao treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	3.1	4.5	4.8	5.1	5.3	5.6	5.8	6.1	6.4	6.7
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	92.0	106.9	106.4	105.0	107.5	111.7	116.1	120.7	125.5	130.5
Treatment visit-equivalents (not unique users)	638,791	751,109	763,301	768,300	780,769	793,704	806,898	820,358	834,089	848,099
Visits per resident	0.271	0.321	0.329	0.334	0.342	0.351	0.359	0.368	0.378	0.387
Revenue / visit-equivalent (RMB)	339.9	332.6	323.1	314.2	314.2	318.4	323.0	327.7	332.4	337.2
Estimated market YoY growth	—	15.1%	-1.3%	-2.1%	1.6%	3.0%	3.1%	3.1%	3.1%	3.2%
2025–2031 market CAGR	2.9%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Huludao annual treatment demand

Figure 55: Huludao annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	26,762	30,900	30,792	30,425	30,703	30,979	31,253	31,523	31,791	32,055
Exam / prevention / 15-59	114,885	133,471	133,851	133,107	135,208	137,336	139,494	141,680	143,895	146,140
Exam / prevention / 60+	37,595	44,757	45,980	46,827	48,699	50,630	52,622	54,677	56,796	58,982
Filling / 0-14	11,894	13,733	13,685	13,522	13,513	13,502	13,489	13,474	13,457	13,437
Filling / 15-59	64,623	75,077	75,291	74,873	75,316	75,759	76,202	76,645	77,088	77,530
Filling / 60+	37,595	44,757	45,980	46,827	48,226	49,651	51,104	52,584	54,092	55,628
Root canal / 0-14	1,189	1,373	1,369	1,352	1,345	1,337	1,329	1,321	1,313	1,305
Root canal / 15-59	14,361	16,684	16,731	16,638	16,655	16,671	16,686	16,701	16,715	16,728
Root canal / 60+	9,399	11,189	11,495	11,707	11,997	12,291	12,589	12,890	13,195	13,503
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	7,180	8,342	8,366	8,319	8,409	8,500	8,592	8,684	8,777	8,871
Periodontal course / 60+	7,519	8,951	9,196	9,365	9,692	10,028	10,372	10,725	11,086	11,457
Extraction / 0-14	3,568	4,120	4,106	4,057	3,994	3,932	3,871	3,810	3,749	3,688
Extraction / 15-59	31,593	36,704	36,809	36,604	36,280	35,956	35,635	35,315	34,996	34,680
Extraction / 60+	28,196	33,568	34,485	35,120	35,637	36,151	36,662	37,169	37,672	38,173
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	2,872	4,100	4,239	4,400	4,513	4,629	4,747	4,868	4,992	5,119
Implant package / 60+	4,386	6,416	6,795	7,224	7,586	7,963	8,357	8,767	9,196	9,642
Crown / bridge unit / 0-14	149	172	171	169	169	169	169	168	168	168
Crown / bridge unit / 15-59	10,052	11,679	11,712	11,647	11,716	11,785	11,854	11,923	11,991	12,060
Crown / bridge unit / 60+	12,532	14,919	15,327	15,609	16,075	16,550	17,035	17,528	18,031	18,543
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	1,149	1,335	1,339	1,331	1,332	1,334	1,335	1,336	1,337	1,338
Denture course / 60+	5,013	5,968	6,131	6,244	6,399	6,555	6,714	6,875	7,037	7,202
Orthodontic new starts / 0-14	2,379	2,560	2,577	2,570	2,581	2,592	2,602	2,612	2,621	2,630
Orthodontic new starts / 15-59	2,154	2,333	2,363	2,372	2,398	2,424	2,450	2,476	2,503	2,529
Orthodontic new starts / 60+	31	35	36	37	38	40	41	42	44	45

Source: KGI Research estimates; population statistics and company data.

Appendix Panjin demographics and spending

Figure 56: Panjin population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Panjin population and market inputs										
Resident population (persons)	1,389,000	1,380,000	1,376,000	1,371,872	1,367,756	1,363,653	1,359,562	1,355,483	1,351,417	1,347,363
Age 0–14 population	162,735	159,611	157,084	154,555	152,040	149,538	147,050	144,576	142,115	139,667
Age 15–59 population	897,524	886,878	879,492	872,051	864,648	857,281	849,951	842,657	835,399	828,177
Age 60+ population	328,741	333,511	339,425	345,266	351,069	356,834	362,561	368,251	373,903	379,518
Age 60+ share	23.7%	24.2%	24.7%	25.2%	25.7%	26.2%	26.7%	27.2%	27.7%	28.2%
Relative city service-price factor	1.03	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Panjin demographic profile										
Resident population (persons)	1,389,000	1,380,000	1,376,000	1,371,872	1,367,756	1,363,653	1,359,562	1,355,483	1,351,417	1,347,363
Population evidence	Reported actual	Reported actual	Reported actual	Analyst estimate	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	11.7%	11.6%	11.4%	11.3%	11.1%	11.0%	10.8%	10.7%	10.5%	10.4%
Model age 15–59 share	64.6%	64.3%	63.9%	63.6%	63.2%	62.9%	62.5%	62.2%	61.8%	61.5%
Model age 60+ share	23.7%	24.2%	24.7%	25.2%	25.7%	26.2%	26.7%	27.2%	27.7%	28.2%
Model annual disposable income (RMB)	40,987	42,627	44,332	46,105	47,949	49,867	51,862	53,936	56,094	58,338
Panjin annual spending by service										
Standalone paid exam and prevention	15.6	18.8	18.4	18.5	18.9	19.6	20.3	21.1	21.8	22.6
Caries restoration	17.1	20.8	20.6	20.3	20.7	21.3	21.9	22.5	23.2	23.9
Endodontic treatment	12.5	15.0	14.8	14.5	14.7	15.1	15.5	15.9	16.3	16.7
Advanced nonsurgical periodontal care	6.9	8.4	8.3	8.1	8.4	8.7	9.1	9.4	9.8	10.2
Tooth extraction	6.9	8.1	8.3	8.3	8.4	8.5	8.7	8.8	9.0	9.1
Implant restoration	33.6	37.7	37.1	37.2	38.9	41.1	43.5	45.9	48.5	51.2
Nonimplant crown or bridge	15.9	18.7	18.3	17.7	18.1	18.7	19.4	20.1	20.8	21.5
Removable dentures	5.2	6.3	6.3	6.2	6.3	6.6	6.8	7.1	7.3	7.6
Orthodontic treatment	24.7	26.0	26.6	25.3	24.9	25.4	26.0	26.5	27.2	27.8
Total dental-service demand	138.4	159.8	158.6	156.0	159.4	165.0	171.0	177.3	183.8	190.5
Panjin treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	2.9	4.3	4.6	4.9	5.1	5.3	5.6	5.9	6.2	6.5
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	99.7	115.8	115.3	113.7	116.5	121.0	125.8	130.8	136.0	141.4
Treatment visit-equivalents (not unique users)	371,526	438,069	447,479	452,656	462,347	472,400	482,699	493,249	504,058	515,133
Visits per resident	0.267	0.317	0.325	0.330	0.338	0.346	0.355	0.364	0.373	0.382
Revenue / visit-equivalent (RMB)	372.7	364.8	354.5	344.7	344.7	349.3	354.3	359.4	364.6	369.8
Estimated market YoY growth	—	15.4%	-0.8%	-1.6%	2.1%	3.6%	3.6%	3.7%	3.7%	3.7%
2025–2031 market CAGR	3.4%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Panjin annual treatment demand

Figure 57: Panjin annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	14,646	16,951	16,965	16,831	17,054	17,276	17,499	17,720	17,941	18,161
Exam / prevention / 15-59	71,802	83,721	84,431	84,415	86,209	88,039	89,904	91,807	93,747	95,724
Exam / prevention / 60+	19,724	23,613	24,439	25,066	26,252	27,484	28,763	30,090	31,469	32,900
Filling / 0-14	6,509	7,534	7,540	7,480	7,506	7,530	7,553	7,574	7,594	7,613
Filling / 15-59	40,389	47,093	47,493	47,483	48,022	48,565	49,113	49,665	50,222	50,783
Filling / 60+	19,724	23,613	24,439	25,066	25,997	26,953	27,933	28,939	29,971	31,029
Root canal / 0-14	651	753	754	748	747	746	744	743	741	739
Root canal / 15-59	8,975	10,465	10,554	10,552	10,619	10,687	10,754	10,822	10,890	10,957
Root canal / 60+	4,931	5,903	6,110	6,267	6,467	6,672	6,881	7,094	7,311	7,532
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	4,488	5,233	5,277	5,276	5,362	5,449	5,538	5,627	5,718	5,811
Periodontal course / 60+	3,945	4,723	4,888	5,013	5,225	5,444	5,669	5,902	6,142	6,391
Extraction / 0-14	1,953	2,260	2,262	2,244	2,219	2,193	2,167	2,142	2,116	2,090
Extraction / 15-59	19,746	23,023	23,219	23,214	23,132	23,050	22,967	22,884	22,800	22,716
Extraction / 60+	14,793	17,709	18,329	18,800	19,211	19,624	20,039	20,455	20,873	21,293
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	1,795	2,572	2,674	2,791	2,878	2,967	3,059	3,155	3,252	3,353
Implant package / 60+	2,301	3,385	3,611	3,867	4,089	4,323	4,568	4,825	5,095	5,378
Crown / bridge unit / 0-14	81	94	94	94	94	94	94	95	95	95
Crown / bridge unit / 15-59	6,283	7,326	7,388	7,386	7,470	7,555	7,640	7,726	7,812	7,900
Crown / bridge unit / 60+	6,575	7,871	8,146	8,355	8,666	8,984	9,311	9,646	9,990	10,343
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	718	837	844	844	850	855	860	866	871	877
Denture course / 60+	2,630	3,148	3,258	3,342	3,449	3,559	3,670	3,783	3,899	4,017
Orthodontic new starts / 0-14	1,302	1,405	1,420	1,422	1,434	1,445	1,457	1,468	1,479	1,490
Orthodontic new starts / 15-59	1,346	1,463	1,491	1,504	1,529	1,554	1,579	1,604	1,630	1,657
Orthodontic new starts / 60+	16	18	19	20	21	22	22	23	24	25

Source: KGI Research estimates; population statistics and company data.

Appendix Gaizhou demographics and spending

Figure 58: Gaizhou population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Gaizhou population and market inputs										
Resident population (persons)	547,512	541,725	536,000	530,640	525,334	520,080	514,879	509,731	504,633	499,587
Age 0–14 population	57,653	56,231	54,833	53,489	52,166	50,864	49,583	48,322	47,082	45,862
Age 15–59 population	324,456	319,130	313,882	308,886	303,958	299,098	294,305	289,578	284,916	280,318
Age 60+ population	165,403	166,364	167,286	168,266	169,210	170,118	170,991	171,830	172,635	173,407
Age 60+ share	30.2%	30.7%	31.2%	31.7%	32.2%	32.7%	33.2%	33.7%	34.2%	34.7%
Relative city service-price factor	0.90	0.90	0.89	0.89	0.89	0.89	0.89	0.89	0.89	0.89
Gaizhou demographic profile										
Resident population (persons)	547,512	541,725	536,000	530,640	525,334	520,080	514,879	509,731	504,633	499,587
Population evidence	Analyst estimate	Analyst estimate	Reported actual	Analyst estimate	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	10.5%	10.4%	10.2%	10.1%	9.9%	9.8%	9.6%	9.5%	9.3%	9.2%
Model age 15–59 share	59.3%	58.9%	58.6%	58.2%	57.9%	57.5%	57.2%	56.8%	56.5%	56.1%
Model age 60+ share	30.2%	30.7%	31.2%	31.7%	32.2%	32.7%	33.2%	33.7%	34.2%	34.7%
Model annual disposable income (RMB)	24,367	25,341	26,355	27,409	28,506	29,646	30,832	32,065	33,347	34,681
Gaizhou annual spending by service										
Standalone paid exam and prevention	5.3	6.4	6.2	6.2	6.3	6.5	6.7	6.9	7.1	7.3
Caries restoration	6.0	7.3	7.2	7.0	7.1	7.3	7.4	7.6	7.8	7.9
Endodontic treatment	4.5	5.4	5.3	5.1	5.2	5.2	5.3	5.4	5.5	5.6
Advanced nonsurgical periodontal care	2.6	3.1	3.1	3.0	3.1	3.2	3.3	3.4	3.5	3.6
Tooth extraction	2.5	3.0	3.0	3.0	3.0	3.0	3.0	3.1	3.1	3.1
Implant restoration	13.0	14.5	14.2	14.1	14.6	15.3	16.1	16.9	17.7	18.5
Nonimplant crown or bridge	6.1	7.1	6.9	6.6	6.7	6.9	7.1	7.3	7.4	7.7
Removable dentures	2.1	2.6	2.6	2.5	2.5	2.6	2.7	2.7	2.8	2.9
Orthodontic treatment	7.8	8.2	8.3	7.8	7.7	7.7	7.9	8.0	8.1	8.2
Total dental-service demand	50.0	57.6	56.6	55.3	56.1	57.7	59.4	61.2	62.9	64.8
Gaizhou treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	3.3	4.8	5.1	5.4	5.7	6.0	6.2	6.5	6.9	7.2
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	91.4	106.3	105.7	104.3	106.9	111.0	115.4	120.0	124.7	129.7
Treatment visit-equivalents (not unique users)	150,095	176,646	179,035	179,847	182,383	185,012	187,690	190,417	193,196	196,027
Visits per resident	0.274	0.326	0.334	0.339	0.347	0.356	0.365	0.374	0.383	0.392
Revenue / visit-equivalent (RMB)	333.3	326.0	316.4	307.7	307.8	312.1	316.6	321.2	325.8	330.6
Estimated market YoY growth	—	15.1%	-1.6%	-2.3%	1.5%	2.8%	2.9%	2.9%	2.9%	2.9%
2025–2031 market CAGR	2.7%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Gaizhou annual treatment demand

Figure 59: Gaizhou annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	5,189	5,972	5,922	5,825	5,851	5,876	5,900	5,923	5,944	5,964
Exam / prevention / 15-59	25,956	30,126	30,133	29,900	30,306	30,716	31,130	31,549	31,973	32,400
Exam / prevention / 60+	9,924	11,779	12,045	12,216	12,653	13,103	13,565	14,041	14,530	15,032
Filling / 0-14	2,306	2,654	2,632	2,589	2,575	2,561	2,547	2,532	2,516	2,500
Filling / 15-59	14,601	16,946	16,950	16,819	16,882	16,944	17,006	17,067	17,128	17,189
Filling / 60+	9,924	11,779	12,045	12,216	12,530	12,850	13,174	13,503	13,838	14,178
Root canal / 0-14	231	265	263	259	256	254	251	248	245	243
Root canal / 15-59	3,245	3,766	3,767	3,738	3,733	3,728	3,724	3,719	3,714	3,709
Root canal / 60+	2,481	2,945	3,011	3,054	3,117	3,181	3,245	3,310	3,375	3,441
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	1,622	1,883	1,883	1,869	1,885	1,901	1,917	1,934	1,950	1,967
Periodontal course / 60+	1,985	2,356	2,409	2,443	2,518	2,595	2,674	2,754	2,836	2,920
Extraction / 0-14	692	796	790	777	761	746	731	716	701	686
Extraction / 15-59	7,138	8,285	8,286	8,223	8,132	8,042	7,953	7,864	7,776	7,689
Extraction / 60+	7,443	8,834	9,033	9,162	9,260	9,356	9,451	9,545	9,637	9,729
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	649	925	954	988	1,012	1,035	1,059	1,084	1,109	1,135
Implant package / 60+	1,158	1,689	1,780	1,885	1,971	2,061	2,154	2,251	2,352	2,457
Crown / bridge unit / 0-14	29	33	33	32	32	32	32	32	31	31
Crown / bridge unit / 15-59	2,271	2,636	2,637	2,616	2,626	2,636	2,645	2,655	2,664	2,674
Crown / bridge unit / 60+	3,308	3,926	4,015	4,072	4,177	4,283	4,391	4,501	4,613	4,726
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	260	301	301	299	299	298	298	298	297	297
Denture course / 60+	1,323	1,570	1,606	1,629	1,663	1,697	1,731	1,765	1,800	1,835
Orthodontic new starts / 0-14	461	495	496	492	492	492	491	491	490	489
Orthodontic new starts / 15-59	487	527	532	533	537	542	547	551	556	561
Orthodontic new starts / 60+	8	9	9	10	10	10	11	11	11	12

Source: KGI Research estimates; population statistics and company data.

Appendix Zhuanghe demographics and spending

Figure 60: Zhuanghe population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Zhuanghe population and market inputs										
Resident population (persons)	716,285	703,529	691,000	680,635	670,425	660,369	650,464	640,707	631,096	621,630
Age 0–14 population	64,572	62,366	60,219	58,295	56,415	54,578	52,784	51,031	49,319	47,647
Age 15–59 population	420,566	410,614	400,883	392,487	384,253	376,178	368,259	360,493	352,876	345,408
Age 60+ population	231,148	230,549	229,898	229,853	229,757	229,613	229,421	229,183	228,901	228,575
Age 60+ share	32.3%	32.8%	33.3%	33.8%	34.3%	34.8%	35.3%	35.8%	36.3%	36.8%
Relative city service-price factor	0.92	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91
Zhuanghe demographic profile										
Resident population (persons)	716,285	703,529	691,000	680,635	670,425	660,369	650,464	640,707	631,096	621,630
Population evidence	Analyst estimate	Analyst estimate	Reported actual	Analyst estimate	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	9.0%	8.9%	8.7%	8.6%	8.4%	8.3%	8.1%	8.0%	7.8%	7.7%
Model age 15–59 share	58.7%	58.4%	58.0%	57.7%	57.3%	57.0%	56.6%	56.3%	55.9%	55.6%
Model age 60+ share	32.3%	32.8%	33.3%	33.8%	34.3%	34.8%	35.3%	35.8%	36.3%	36.8%
Model annual disposable income (RMB)	25,945	26,983	28,062	29,185	30,352	31,566	32,829	34,142	35,508	36,928
Zhuanghe annual spending by service										
Standalone paid exam and prevention	7.1	8.4	8.1	8.0	8.1	8.3	8.5	8.7	8.9	9.1
Caries restoration	8.1	9.7	9.5	9.3	9.3	9.5	9.6	9.8	9.9	10.1
Endodontic treatment	6.1	7.3	7.0	6.8	6.8	6.9	7.0	7.1	7.2	7.3
Advanced nonsurgical periodontal care	3.6	4.3	4.2	4.0	4.1	4.2	4.3	4.4	4.5	4.7
Tooth extraction	3.5	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.1
Implant restoration	18.0	19.9	19.3	19.1	19.7	20.5	21.4	22.3	23.3	24.3
Nonimplant crown or bridge	8.3	9.7	9.3	8.9	9.0	9.2	9.4	9.6	9.8	10.0
Removable dentures	3.0	3.6	3.5	3.4	3.5	3.5	3.6	3.7	3.8	3.8
Orthodontic treatment	9.7	10.1	10.2	9.5	9.3	9.3	9.4	9.5	9.6	9.6
Total dental-service demand	67.3	77.0	75.1	73.0	73.7	75.5	77.3	79.1	81.0	83.0
Zhuanghe treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	3.4	5.0	5.3	5.6	5.9	6.2	6.5	6.8	7.1	7.5
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	94.0	109.5	108.7	107.3	110.0	114.3	118.8	123.5	128.4	133.5
Treatment visit-equivalents (not unique users)	197,713	231,285	232,657	232,518	234,597	236,762	238,961	241,194	243,464	245,770
Visits per resident	0.276	0.329	0.337	0.342	0.350	0.359	0.367	0.376	0.386	0.395
Revenue / visit-equivalent (RMB)	340.5	333.0	323.0	314.1	314.4	318.7	323.3	328.0	332.8	337.7
Estimated market YoY growth	—	14.4%	-2.4%	-2.8%	1.0%	2.3%	2.4%	2.4%	2.4%	2.4%
2025–2031 market CAGR	2.2%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Zhuanghe annual treatment demand

Figure 61: Zhuanghe annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	5,811	6,623	6,504	6,348	6,328	6,306	6,281	6,255	6,226	6,196
Exam / prevention / 15-59	33,645	38,762	38,485	37,993	38,312	38,632	38,953	39,275	39,599	39,924
Exam / prevention / 60+	13,869	16,323	16,553	16,687	17,181	17,685	18,200	18,727	19,265	19,815
Filling / 0-14	2,583	2,944	2,891	2,821	2,785	2,748	2,711	2,673	2,635	2,597
Filling / 15-59	18,925	21,804	21,648	21,371	21,341	21,310	21,279	21,247	21,214	21,180
Filling / 60+	13,869	16,323	16,553	16,687	17,014	17,343	17,675	18,010	18,348	18,688
Root canal / 0-14	258	294	289	282	277	272	267	262	257	252
Root canal / 15-59	4,206	4,845	4,811	4,749	4,719	4,689	4,659	4,630	4,600	4,570
Root canal / 60+	3,467	4,081	4,138	4,172	4,233	4,293	4,354	4,415	4,476	4,536
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	2,103	2,423	2,405	2,375	2,383	2,391	2,399	2,407	2,415	2,423
Periodontal course / 60+	2,774	3,265	3,311	3,337	3,419	3,503	3,587	3,673	3,760	3,849
Extraction / 0-14	775	883	867	846	823	800	778	756	734	713
Extraction / 15-59	9,252	10,660	10,583	10,448	10,280	10,114	9,951	9,790	9,631	9,474
Extraction / 60+	10,402	12,242	12,414	12,515	12,573	12,628	12,680	12,730	12,778	12,824
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	841	1,191	1,219	1,256	1,279	1,302	1,326	1,350	1,374	1,399
Implant package / 60+	1,618	2,340	2,446	2,574	2,676	2,782	2,890	3,003	3,119	3,239
Crown / bridge unit / 0-14	32	37	36	35	35	34	34	33	33	32
Crown / bridge unit / 15-59	2,944	3,392	3,367	3,324	3,320	3,315	3,310	3,305	3,300	3,295
Crown / bridge unit / 60+	4,623	5,441	5,518	5,562	5,671	5,781	5,892	6,003	6,116	6,229
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	336	388	385	380	378	375	373	370	368	366
Denture course / 60+	1,849	2,176	2,207	2,225	2,257	2,290	2,322	2,355	2,387	2,419
Orthodontic new starts / 0-14	517	549	544	536	532	528	523	518	513	508
Orthodontic new starts / 15-59	631	678	679	677	679	682	684	686	689	691
Orthodontic new starts / 60+	12	13	13	13	14	14	14	15	15	15

Source: KGI Research estimates; population statistics and company data.

Appendix Jinzhou demographics and spending

Figure 62: Jinzhou population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Jinzhou population and market inputs										
Resident population (persons)	2,638,000	2,631,000	2,594,000	2,575,842	2,557,811	2,539,906	2,522,127	2,504,472	2,486,941	2,469,532
Age 0–14 population	247,708	243,104	235,795	230,280	224,832	219,448	214,129	208,873	203,680	198,550
Age 15–59 population	1,609,708	1,596,228	1,564,701	1,544,732	1,524,967	1,505,403	1,486,037	1,466,869	1,447,897	1,429,118
Age 60+ population	780,584	791,668	793,505	800,829	808,013	815,056	821,961	828,730	835,363	841,864
Age 60+ share	29.6%	30.1%	30.6%	31.1%	31.6%	32.1%	32.6%	33.1%	33.6%	34.1%
Relative city service-price factor	0.96	0.96	0.96	0.95	0.96	0.96	0.96	0.96	0.96	0.96
Jinzhou demographic profile										
Resident population (persons)	2,638,000	2,631,000	2,594,000	2,575,842	2,557,811	2,539,906	2,522,127	2,504,472	2,486,941	2,469,532
Population evidence	Reported, secondary source	Reported, secondary source	Reported actual	Analyst estimate	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	9.4%	9.2%	9.1%	8.9%	8.8%	8.6%	8.5%	8.3%	8.2%	8.0%
Model age 15–59 share	61.0%	60.7%	60.3%	60.0%	59.6%	59.3%	58.9%	58.6%	58.2%	57.9%
Model age 60+ share	29.6%	30.1%	30.6%	31.1%	31.6%	32.1%	32.6%	33.1%	33.6%	34.1%
Model annual disposable income (RMB)	31,582	33,003	34,488	36,040	37,662	39,357	41,128	42,978	44,912	46,933
Jinzhou annual spending by service										
Standalone paid exam and prevention	27.5	33.3	32.3	32.3	33.0	34.1	35.2	36.4	37.6	38.8
Caries restoration	31.1	37.9	37.3	36.6	37.2	38.2	39.1	40.2	41.2	42.3
Endodontic treatment	23.2	28.1	27.4	26.7	27.0	27.6	28.3	28.9	29.6	30.2
Advanced nonsurgical periodontal care	13.4	16.3	15.9	15.6	16.0	16.6	17.2	17.8	18.4	19.1
Tooth extraction	13.1	15.4	15.5	15.6	15.7	15.9	16.1	16.3	16.5	16.8
Implant restoration	66.8	75.2	73.2	73.1	76.2	80.2	84.4	88.9	93.6	98.5
Nonimplant crown or bridge	31.1	36.8	35.5	34.2	34.9	36.0	37.2	38.3	39.5	40.8
Removable dentures	10.9	13.3	13.1	12.8	13.1	13.5	13.9	14.4	14.8	15.3
Orthodontic treatment	38.9	41.0	41.7	39.4	38.6	39.2	39.9	40.7	41.4	42.2
Total dental-service demand	256.0	297.3	291.9	286.3	291.7	301.2	311.3	321.8	332.6	343.9
Jinzhou treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	3.3	4.8	5.1	5.4	5.7	5.9	6.2	6.5	6.8	7.2
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	97.0	113.0	112.5	111.1	114.0	118.6	123.4	128.5	133.8	139.3
Treatment visit-equivalents (not unique users)	720,900	855,250	863,985	870,321	885,280	900,761	916,567	932,704	949,182	966,009
Visits per resident	0.273	0.325	0.333	0.338	0.346	0.355	0.363	0.372	0.382	0.391
Revenue / visit-equivalent (RMB)	355.1	347.6	337.9	328.9	329.5	334.4	339.7	345.0	350.5	356.0
Estimated market YoY growth	—	16.2%	-1.8%	-1.9%	1.9%	3.3%	3.3%	3.4%	3.4%	3.4%
2025–2031 market CAGR	3.1%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Jinzhou annual treatment demand

Figure 63: Jinzhou annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	22,294	25,818	25,466	25,078	25,219	25,353	25,481	25,601	25,714	25,818
Exam / prevention / 15-59	128,777	150,684	150,211	149,530	152,045	154,597	157,187	159,814	162,480	165,184
Exam / prevention / 60+	46,835	56,050	57,132	58,140	60,422	62,777	65,208	67,717	70,307	72,980
Filling / 0-14	9,908	11,475	11,318	11,146	11,099	11,050	10,998	10,943	10,884	10,822
Filling / 15-59	72,437	84,760	84,494	84,111	84,695	85,281	85,867	86,455	87,044	87,633
Filling / 60+	46,835	56,050	57,132	58,140	59,835	61,564	63,327	65,125	66,960	68,830
Root canal / 0-14	991	1,147	1,132	1,115	1,105	1,094	1,084	1,073	1,062	1,051
Root canal / 15-59	16,097	18,835	18,776	18,691	18,729	18,766	18,802	18,838	18,874	18,908
Root canal / 60+	11,709	14,013	14,283	14,535	14,885	15,240	15,600	15,964	16,334	16,708
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	8,049	9,418	9,388	9,346	9,457	9,569	9,682	9,796	9,911	10,027
Periodontal course / 60+	9,367	11,210	11,426	11,628	12,026	12,434	12,853	13,282	13,723	14,176
Extraction / 0-14	2,972	3,442	3,395	3,344	3,281	3,218	3,156	3,094	3,032	2,971
Extraction / 15-59	35,414	41,438	41,308	41,121	40,798	40,476	40,155	39,835	39,516	39,199
Extraction / 60+	35,126	42,038	42,849	43,605	44,216	44,825	45,430	46,034	46,634	47,232
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	3,219	4,629	4,757	4,943	5,075	5,210	5,349	5,491	5,637	5,787
Implant package / 60+	5,464	8,035	8,443	8,969	9,412	9,874	10,355	10,858	11,383	11,931
Crown / bridge unit / 0-14	124	143	141	139	139	138	137	137	136	135
Crown / bridge unit / 15-59	11,268	13,185	13,143	13,084	13,175	13,266	13,357	13,449	13,540	13,632
Crown / bridge unit / 60+	15,612	18,683	19,044	19,380	19,945	20,521	21,109	21,708	22,320	22,943
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	1,288	1,507	1,502	1,495	1,498	1,501	1,504	1,507	1,510	1,513
Denture course / 60+	6,245	7,473	7,618	7,752	7,939	8,128	8,320	8,514	8,711	8,911
Orthodontic new starts / 0-14	1,982	2,139	2,132	2,119	2,120	2,121	2,121	2,121	2,120	2,118
Orthodontic new starts / 15-59	2,415	2,634	2,652	2,665	2,696	2,728	2,761	2,793	2,826	2,859
Orthodontic new starts / 60+	39	44	45	46	48	49	51	53	54	56

Source: KGI Research estimates; population statistics and company data.

Appendix Dalian ex Zhuanghe demographics and spending

Figure 64: Dalian ex Zhuanghe population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Dalian ex Zhuanghe population and market inputs										
Resident population (persons)	6,814,715	6,835,471	6,853,000	6,866,706	6,880,439	6,894,200	6,907,989	6,921,805	6,935,648	6,949,520
Age 0–14 population	791,008	783,164	774,893	766,143	757,355	748,528	739,663	730,760	721,818	712,837
Age 15–59 population	4,321,024	4,310,260	4,297,328	4,281,889	4,266,372	4,250,775	4,235,098	4,219,342	4,203,506	4,187,590
Age 60+ population	1,702,683	1,742,046	1,780,778	1,818,674	1,856,713	1,894,898	1,933,227	1,971,703	2,010,324	2,049,093
Age 60+ share	25.0%	25.5%	26.0%	26.5%	27.0%	27.5%	28.0%	28.5%	29.0%	29.5%
Relative city service-price factor	1.06	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Dalian ex Zhuanghe demographic profile										
Resident population (persons)	6,814,715	6,835,471	6,853,000	6,866,706	6,880,439	6,894,200	6,907,989	6,921,805	6,935,648	6,949,520
Population evidence	Derived estimate	Derived estimate	Derived from reported actuals	Analyst estimate	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	11.6%	11.5%	11.3%	11.2%	11.0%	10.9%	10.7%	10.6%	10.4%	10.3%
Model age 15–59 share	63.4%	63.1%	62.7%	62.4%	62.0%	61.7%	61.3%	61.0%	60.6%	60.3%
Model age 60+ share	25.0%	25.5%	26.0%	26.5%	27.0%	27.5%	28.0%	28.5%	29.0%	29.5%
Model annual disposable income (RMB)	46,234	48,083	50,007	52,007	54,087	56,251	58,501	60,841	63,274	65,805
Dalian ex Zhuanghe annual spending by service										
Standalone paid exam and prevention	78.6	95.7	94.3	94.9	97.9	101.9	106.1	110.5	115.1	119.9
Caries restoration	86.8	106.5	106.3	105.2	107.7	111.4	115.2	119.1	123.2	127.3
Endodontic treatment	63.5	77.2	76.5	75.2	76.7	79.1	81.5	84.0	86.6	89.2
Advanced nonsurgical periodontal care	35.6	43.5	43.2	42.7	44.1	46.1	48.1	50.3	52.5	54.8
Tooth extraction	35.5	42.0	42.9	43.4	43.9	44.9	45.9	46.9	47.9	49.0
Implant restoration	174.0	196.9	194.7	196.1	206.2	219.0	232.5	246.8	262.1	278.2
Nonimplant crown or bridge	82.0	97.3	95.5	92.8	95.6	99.4	103.4	107.5	111.8	116.3
Removable dentures	27.1	33.5	33.4	33.0	34.0	35.5	36.9	38.4	40.0	41.7
Orthodontic treatment	123.0	130.1	134.1	128.4	127.0	129.9	133.6	137.3	141.1	145.0
Total dental-service demand	706.3	822.7	820.9	811.7	833.2	867.2	903.2	940.9	980.3	1,021.4
Dalian ex Zhuanghe treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	3.0	4.4	4.7	5.0	5.2	5.5	5.7	6.0	6.3	6.6
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	103.6	120.4	119.8	118.2	121.1	125.8	130.8	135.9	141.3	147.0
Treatment visit-equivalents (not unique users)	1,832,092	2,181,037	2,240,314	2,277,683	2,338,058	2,400,812	2,465,386	2,531,838	2,600,228	2,670,618
Visits per resident	0.269	0.319	0.327	0.332	0.340	0.348	0.357	0.366	0.375	0.384
Revenue / visit-equivalent (RMB)	385.5	377.2	366.4	356.4	356.4	361.2	366.4	371.6	377.0	382.5
Estimated market YoY growth	—	16.5%	-0.2%	-1.1%	2.6%	4.1%	4.2%	4.2%	4.2%	4.2%
2025–2031 market CAGR	3.9%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Dalian ex Zhuanghe annual treatment demand

Figure 65: Dalian ex Zhuanghe annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	71,191	83,172	83,688	83,433	84,950	86,479	88,018	89,568	91,126	92,692
Exam / prevention / 15-59	345,682	406,889	412,544	414,487	425,374	436,534	447,972	459,694	471,708	484,019
Exam / prevention / 60+	102,161	123,337	128,216	132,036	138,841	145,948	153,367	161,112	169,196	177,632
Filling / 0-14	31,640	36,965	37,195	37,081	37,389	37,692	37,991	38,284	38,572	38,854
Filling / 15-59	194,446	228,875	232,056	233,149	236,950	240,805	244,716	248,681	252,703	256,781
Filling / 60+	102,161	123,337	128,216	132,036	137,493	143,127	148,943	154,945	161,140	167,533
Root canal / 0-14	3,164	3,697	3,719	3,708	3,721	3,732	3,743	3,754	3,764	3,773
Root canal / 15-59	43,210	50,861	51,568	51,811	52,397	52,989	53,585	54,187	54,793	55,405
Root canal / 60+	25,540	30,834	32,054	33,009	34,205	35,432	36,691	37,982	39,307	40,666
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	21,605	25,431	25,784	25,905	26,457	27,019	27,592	28,177	28,773	29,381
Periodontal course / 60+	20,432	24,667	25,643	26,407	27,633	28,907	30,229	31,601	33,026	34,504
Extraction / 0-14	9,492	11,090	11,158	11,124	11,052	10,978	10,902	10,824	10,745	10,665
Extraction / 15-59	95,063	111,894	113,449	113,984	114,139	114,290	114,438	114,582	114,723	114,860
Extraction / 60+	76,621	92,503	96,162	99,027	101,604	104,212	106,851	109,523	112,226	114,962
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	8,642	12,500	13,064	13,702	14,198	14,712	15,245	15,795	16,365	16,956
Implant package / 60+	11,919	17,682	18,947	20,369	21,627	22,955	24,356	25,834	27,394	29,039
Crown / bridge unit / 0-14	396	462	465	464	467	471	475	479	482	486
Crown / bridge unit / 15-59	30,247	35,603	36,098	36,268	36,859	37,459	38,067	38,684	39,309	39,944
Crown / bridge unit / 60+	34,054	41,112	42,739	44,012	45,831	47,709	49,648	51,648	53,713	55,844
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	3,457	4,069	4,125	4,145	4,192	4,239	4,287	4,335	4,383	4,432
Denture course / 60+	13,621	16,445	17,095	17,605	18,243	18,897	19,568	20,257	20,964	21,689
Orthodontic new starts / 0-14	6,328	6,892	7,005	7,049	7,142	7,235	7,328	7,421	7,513	7,605
Orthodontic new starts / 15-59	6,482	7,112	7,284	7,386	7,543	7,704	7,867	8,034	8,204	8,377
Orthodontic new starts / 60+	85	96	101	105	109	114	120	125	131	137

Source: KGI Research estimates; population statistics and company data.

Appendix Anshan demographics and spending

Figure 66: Anshan population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Anshan [historical] population and market inputs										
Resident population (persons)	3,244,000	3,220,000	3,192,000	3,166,464	3,141,132	3,116,003	3,091,075	3,066,347	3,041,816	3,017,481
Age 0–14 population	329,340	322,073	314,485	307,219	300,050	292,975	285,995	279,107	272,312	265,607
Age 15–59 population	1,997,879	1,971,828	1,943,510	1,916,879	1,890,550	1,864,520	1,838,785	1,813,342	1,788,189	1,763,322
Age 60+ population	916,781	926,099	934,006	942,366	950,533	958,508	966,296	973,897	981,315	988,552
Age 60+ share	28.3%	28.8%	29.3%	29.8%	30.3%	30.8%	31.3%	31.8%	32.3%	32.8%
Relative city service-price factor	0.99	0.99	0.99	0.98	0.98	0.98	0.98	0.98	0.98	0.98
Anshan [historical] demographic profile										
Resident population (persons)	3,244,000	3,220,000	3,192,000	3,166,464	3,141,132	3,116,003	3,091,075	3,066,347	3,041,816	3,017,481
Population evidence	Reported actual	Reported actual	Reported actual	Analyst estimate	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	10.2%	10.0%	9.9%	9.7%	9.6%	9.4%	9.3%	9.1%	9.0%	8.8%
Model age 15–59 share	61.6%	61.2%	60.9%	60.5%	60.2%	59.8%	59.5%	59.1%	58.8%	58.4%
Model age 60+ share	28.3%	28.8%	29.3%	29.8%	30.3%	30.8%	31.3%	31.8%	32.3%	32.8%
Model annual disposable income (RMB)	36,039	37,481	38,980	40,539	42,161	43,847	45,601	47,425	49,322	51,295
Anshan [historical] annual spending by service										
Standalone paid exam and prevention	35.0	42.1	41.0	40.9	41.8	43.0	44.4	45.8	47.2	48.6
Caries restoration	39.3	47.7	47.1	46.1	46.8	47.9	49.0	50.2	51.3	52.6
Endodontic treatment	29.2	35.1	34.4	33.4	33.8	34.5	35.2	35.9	36.6	37.3
Advanced nonsurgical periodontal care	16.7	20.2	19.8	19.4	19.8	20.5	21.2	21.9	22.6	23.4
Tooth extraction	16.4	19.2	19.4	19.5	19.5	19.7	19.9	20.2	20.4	20.6
Implant restoration	82.8	92.7	90.6	90.2	93.9	98.7	103.7	108.9	114.4	120.2
Nonimplant crown or bridge	38.7	45.4	44.1	42.4	43.2	44.5	45.8	47.1	48.5	49.9
Removable dentures	13.3	16.3	16.0	15.7	16.0	16.4	16.9	17.4	17.9	18.5
Orthodontic treatment	51.2	53.8	54.8	51.9	50.8	51.4	52.2	53.1	54.0	54.9
Total dental-service demand	322.6	372.5	367.2	359.5	365.4	376.5	388.3	400.4	413.0	426.1
Anshan [historical] treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	3.2	4.7	5.0	5.3	5.5	5.8	6.1	6.4	6.7	7.0
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	99.5	115.7	115.0	113.5	116.3	120.8	125.6	130.6	135.8	141.2
Treatment visit-equivalents (not unique users)	882,429	1,041,405	1,057,527	1,064,425	1,081,658	1,099,506	1,117,712	1,136,285	1,155,234	1,174,568
Visits per resident	0.272	0.323	0.331	0.336	0.344	0.353	0.362	0.371	0.380	0.389
Revenue / visit-equivalent (RMB)	365.6	357.7	347.2	337.7	337.8	342.4	347.4	352.4	357.5	362.7
Estimated market YoY growth	—	15.5%	-1.4%	-2.1%	1.7%	3.0%	3.1%	3.1%	3.1%	3.2%
2025–2031 market CAGR	2.9%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Anshan annual treatment demand

Figure 67: Anshan annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	29,641	34,204	33,964	33,456	33,656	33,848	34,033	34,210	34,378	34,537
Exam / prevention / 15-59	159,830	186,141	186,577	185,554	188,495	191,477	194,499	197,562	200,667	203,812
Exam / prevention / 60+	55,007	65,568	67,248	68,416	71,079	73,826	76,658	79,579	82,591	85,696
Filling / 0-14	13,174	15,202	15,095	14,869	14,813	14,753	14,689	14,622	14,552	14,477
Filling / 15-59	89,905	104,704	104,950	104,374	104,999	105,625	106,250	106,876	107,501	108,126
Filling / 60+	55,007	65,568	67,248	68,416	70,389	72,399	74,447	76,533	78,659	80,823
Root canal / 0-14	1,317	1,520	1,510	1,487	1,474	1,461	1,447	1,434	1,420	1,406
Root canal / 15-59	19,979	23,268	23,322	23,194	23,219	23,243	23,266	23,288	23,309	23,330
Root canal / 60+	13,752	16,392	16,812	17,104	17,511	17,923	18,339	18,761	19,187	19,619
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	9,989	11,634	11,661	11,597	11,724	11,851	11,980	12,110	12,240	12,372
Periodontal course / 60+	11,001	13,114	13,450	13,683	14,147	14,622	15,109	15,609	16,121	16,646
Extraction / 0-14	3,952	4,561	4,529	4,461	4,379	4,297	4,215	4,134	4,054	3,974
Extraction / 15-59	43,953	51,189	51,309	51,027	50,578	50,131	49,686	49,244	48,804	48,366
Extraction / 60+	41,255	49,176	50,436	51,312	52,015	52,714	53,408	54,097	54,782	55,462
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	3,996	5,718	5,908	6,134	6,292	6,453	6,619	6,788	6,962	7,140
Implant package / 60+	6,417	9,400	9,938	10,554	11,072	11,611	12,174	12,760	13,372	14,009
Crown / bridge unit / 0-14	165	190	189	186	185	184	184	183	182	181
Crown / bridge unit / 15-59	13,985	16,287	16,325	16,236	16,333	16,430	16,528	16,625	16,722	16,820
Crown / bridge unit / 60+	18,336	21,856	22,416	22,805	23,463	24,133	24,816	25,511	26,220	26,941
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	1,598	1,861	1,866	1,856	1,858	1,859	1,861	1,863	1,865	1,866
Denture course / 60+	7,334	8,742	8,966	9,122	9,339	9,559	9,781	10,006	10,233	10,463
Orthodontic new starts / 0-14	2,635	2,834	2,843	2,826	2,829	2,832	2,833	2,834	2,834	2,834
Orthodontic new starts / 15-59	2,997	3,254	3,294	3,307	3,343	3,379	3,416	3,453	3,490	3,527
Orthodontic new starts / 60+	46	51	53	54	56	58	60	62	64	66

Source: KGI Research estimates; population statistics and company data.

Appendix Wuhan demographics and spending

Figure 68: Wuhan population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Wuhan [illustrative] population and market inputs										
Resident population (persons)	13,739,000	13,774,000	13,809,100	13,861,900	13,910,417	13,959,103	14,007,960	14,056,988	14,106,187	14,155,559
Age 0–14 population	1,764,921	1,755,643	1,746,308	1,739,123	1,731,300	1,723,400	1,715,424	1,707,371	1,699,241	1,691,033
Age 15–59 population	9,510,076	9,499,868	9,489,554	9,491,183	9,489,626	9,487,942	9,486,130	9,484,189	9,482,118	9,479,917
Age 60+ population	2,464,002	2,518,488	2,573,238	2,631,594	2,689,491	2,747,761	2,806,406	2,865,428	2,924,828	2,984,610
Age 60+ share	17.9%	18.3%	18.6%	19.0%	19.3%	19.7%	20.0%	20.4%	20.7%	21.1%
Relative city service-price factor	1.11	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10	1.10
Wuhan [illustrative] demographic profile										
Resident population (persons)	13,739,000	13,774,000	13,809,100	13,861,900	13,910,417	13,959,103	14,007,960	14,056,988	14,106,187	14,155,559
Population evidence	Reported actual	Reported actual	Reported actual	Reported actual	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	12.8%	12.7%	12.6%	12.5%	12.4%	12.3%	12.2%	12.1%	12.0%	11.9%
Model age 15–59 share	69.2%	69.0%	68.7%	68.5%	68.2%	68.0%	67.7%	67.5%	67.2%	67.0%
Model age 60+ share	17.9%	18.3%	18.6%	19.0%	19.3%	19.7%	20.0%	20.4%	20.7%	21.1%
Model annual disposable income (RMB)	55,589	57,812	60,125	62,530	65,031	67,632	70,338	73,151	76,077	79,120
Wuhan [illustrative] annual spending by service										
Standalone paid exam and prevention	168.6	205.2	202.4	204.2	210.9	220.0	229.5	239.4	249.8	260.6
Caries restoration	179.1	219.3	218.9	217.0	222.3	230.1	238.2	246.6	255.2	264.2
Endodontic treatment	128.3	155.8	154.3	151.6	154.8	159.7	164.7	169.8	175.1	180.6
Advanced nonsurgical periodontal care	68.4	83.4	82.6	81.7	84.5	88.2	92.1	96.2	100.5	104.9
Tooth extraction	70.4	83.1	84.7	85.8	86.9	88.8	90.8	92.8	94.8	96.9
Implant restoration	321.5	362.8	358.2	360.7	379.1	402.5	427.3	453.6	481.5	511.0
Nonimplant crown or bridge	154.9	183.4	179.7	174.6	179.8	187.0	194.4	202.2	210.3	218.7
Removable dentures	45.4	55.9	55.7	55.1	56.8	59.2	61.6	64.1	66.8	69.5
Orthodontic treatment	284.6	301.4	311.4	299.5	297.8	306.2	316.3	326.8	337.6	348.8
Total dental-service demand	1,421.0	1,650.3	1,647.8	1,630.2	1,673.0	1,741.7	1,815.0	1,891.5	1,971.5	2,055.1
Wuhan [illustrative] treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	2.6	3.9	4.1	4.3	4.5	4.7	5.0	5.2	5.4	5.7
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	103.4	119.8	119.3	117.6	120.3	124.8	129.6	134.6	139.8	145.2
Treatment visit-equivalents (not unique users)	3,594,896	4,264,100	4,378,336	4,455,860	4,578,730	4,706,641	4,838,409	4,974,157	5,114,017	5,258,122
Visits per resident	0.262	0.310	0.317	0.321	0.329	0.337	0.345	0.354	0.363	0.371
Revenue / visit-equivalent (RMB)	395.3	387.0	376.3	365.8	365.4	370.0	375.1	380.3	385.5	390.8
Estimated market YoY growth	—	16.1%	-0.2%	-1.1%	2.6%	4.1%	4.2%	4.2%	4.2%	4.2%
2025–2031 market CAGR	3.9%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Wuhan annual treatment demand

Figure 69: Wuhan annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	158,843	186,449	188,601	189,391	194,195	199,108	204,132	209,269	214,521	219,889
Exam / prevention / 15-59	760,806	896,788	910,997	918,747	946,154	974,365	1,003,405	1,033,295	1,064,062	1,095,729
Exam / prevention / 60+	147,840	178,309	185,273	191,054	201,115	211,636	222,638	234,140	246,163	258,730
Filling / 0-14	70,597	82,866	83,823	84,174	85,471	86,782	88,108	89,449	90,803	92,172
Filling / 15-59	427,953	504,443	512,436	516,795	527,044	537,490	548,135	558,983	570,038	581,304
Filling / 60+	147,840	178,309	185,273	191,054	199,162	207,547	216,216	225,178	234,443	244,020
Root canal / 0-14	7,060	8,287	8,382	8,417	8,505	8,593	8,682	8,771	8,860	8,949
Root canal / 15-59	95,101	112,098	113,875	114,843	116,547	118,274	120,025	121,801	123,601	125,426
Root canal / 60+	36,960	44,577	46,318	47,763	49,546	51,379	53,263	55,199	57,188	59,233
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	47,550	56,049	56,937	57,422	58,848	60,308	61,804	63,336	64,905	66,512
Periodontal course / 60+	29,568	35,662	37,055	38,211	40,028	41,917	43,882	45,925	48,049	50,257
Extraction / 0-14	21,179	24,860	25,147	25,252	25,264	25,275	25,283	25,291	25,296	25,300
Extraction / 15-59	209,222	246,617	250,524	252,655	253,877	255,101	256,328	257,556	258,788	260,021
Extraction / 60+	110,880	133,732	138,955	143,290	147,175	151,115	155,112	159,166	163,278	167,449
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	19,020	27,550	28,848	30,372	31,581	32,839	34,146	35,505	36,917	38,384
Implant package / 60+	17,248	25,563	27,379	29,474	31,327	33,286	35,356	37,544	39,855	42,297
Crown / bridge unit / 0-14	882	1,036	1,048	1,052	1,068	1,085	1,101	1,118	1,135	1,152
Crown / bridge unit / 15-59	66,571	78,469	79,712	80,390	81,985	83,610	85,265	86,953	88,673	90,425
Crown / bridge unit / 60+	49,280	59,436	61,758	63,685	66,387	69,182	72,072	75,059	78,148	81,340
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	7,608	8,968	9,110	9,187	9,324	9,462	9,602	9,744	9,888	10,034
Denture course / 60+	19,712	23,775	24,703	25,474	26,425	27,402	28,407	29,439	30,500	31,591
Orthodontic new starts / 0-14	14,119	15,450	15,787	16,000	16,326	16,658	16,995	17,338	17,687	18,042
Orthodontic new starts / 15-59	14,265	15,675	16,085	16,372	16,779	17,195	17,622	18,059	18,506	18,964
Orthodontic new starts / 60+	123	139	145	151	159	166	174	182	190	199

Source: KGI Research estimates; population statistics and company data.

Appendix Changsha demographics and spending

Figure 70: Changsha [illustrative] population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Changsha [illustrative] population and market inputs										
Resident population (persons)	10,420,600	10,513,100	10,616,500	10,721,400	10,807,171	10,893,629	10,980,778	11,068,624	11,157,173	11,246,430
Age 0–14 population	1,713,384	1,718,080	1,724,362	1,730,678	1,733,717	1,736,693	1,739,606	1,742,454	1,745,236	1,747,952
Age 15–59 population	7,037,308	7,073,493	7,116,522	7,160,036	7,190,298	7,220,587	7,250,899	7,281,235	7,311,592	7,341,969
Age 60+ population	1,669,908	1,721,527	1,775,616	1,830,686	1,883,156	1,936,349	1,990,273	2,044,935	2,100,345	2,156,510
Age 60+ share	16.0%	16.4%	16.7%	17.1%	17.4%	17.8%	18.1%	18.5%	18.8%	19.2%
Relative city service-price factor	1.12	1.12	1.11	1.11	1.11	1.11	1.11	1.11	1.11	1.11
Changsha [illustrative] demographic profile										
Resident population (persons)	10,420,600	10,513,100	10,616,500	10,721,400	10,807,171	10,893,629	10,980,778	11,068,624	11,157,173	11,246,430
Population evidence	Reported actual	Reported actual	Reported actual	Reported actual	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	16.4%	16.3%	16.2%	16.1%	16.0%	15.9%	15.8%	15.7%	15.6%	15.5%
Model age 15–59 share	67.5%	67.3%	67.0%	66.8%	66.5%	66.3%	66.0%	65.8%	65.5%	65.3%
Model age 60+ share	16.0%	16.4%	16.7%	17.1%	17.4%	17.8%	18.1%	18.5%	18.8%	19.2%
Model annual disposable income (RMB)	59,026	61,387	63,842	66,396	69,052	71,814	74,686	77,674	80,781	84,012
Changsha [illustrative] annual spending by service										
Standalone paid exam and prevention	129.2	158.3	157.4	159.8	165.8	173.8	182.1	190.8	199.9	209.5
Caries restoration	136.5	168.3	169.1	168.7	173.6	180.5	187.7	195.1	202.9	211.0
Endodontic treatment	95.1	116.2	115.9	114.7	117.6	121.8	126.2	130.8	135.5	140.4
Advanced nonsurgical periodontal care	49.7	61.0	60.9	60.6	63.0	66.1	69.4	72.8	76.3	80.1
Tooth extraction	51.9	61.7	63.4	64.6	65.7	67.4	69.3	71.1	73.0	75.0
Implant restoration	231.8	263.4	262.1	265.6	280.6	299.4	319.4	340.7	363.4	387.6
Nonimplant crown or bridge	112.4	134.0	132.3	129.3	133.8	139.9	146.2	152.7	159.6	166.7
Removable dentures	32.0	39.8	39.9	39.8	41.2	43.2	45.2	47.3	49.6	51.9
Orthodontic treatment	243.0	258.3	269.0	261.0	261.1	269.8	280.2	290.9	302.1	313.7
Total dental-service demand	1,081.7	1,260.9	1,270.0	1,264.0	1,302.5	1,361.9	1,425.5	1,492.3	1,562.3	1,635.8
Changsha [illustrative] treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	2.5	3.6	3.8	4.0	4.2	4.4	4.7	4.9	5.1	5.4
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	103.8	119.9	119.6	117.9	120.5	125.0	129.8	134.8	140.0	145.5
Treatment visit-equivalents (not unique users)	2,712,655	3,230,356	3,342,124	3,422,046	3,532,622	3,647,909	3,767,171	3,890,552	4,018,203	4,150,281
Visits per resident	0.260	0.307	0.315	0.319	0.327	0.335	0.343	0.351	0.360	0.369
Revenue / visit-equivalent (RMB)	398.8	390.3	380.0	369.4	368.7	373.3	378.4	383.6	388.8	394.1
Estimated market YoY growth	—	16.6%	0.7%	-0.5%	3.0%	4.6%	4.7%	4.7%	4.7%	4.7%
2025–2031 market CAGR	4.4%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Changsha annual treatment demand

Figure 71: Changsha annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	154,205	182,460	186,231	188,471	194,466	200,644	207,010	213,569	220,327	227,290
Exam / prevention / 15-59	562,985	667,738	683,186	693,091	716,902	741,519	766,971	793,285	820,490	848,616
Exam / prevention / 60+	100,194	121,884	127,844	132,908	140,819	149,140	157,892	167,096	176,772	186,944
Filling / 0-14	68,535	81,093	82,769	83,765	85,590	87,452	89,350	91,287	93,261	95,274
Filling / 15-59	316,679	375,602	384,292	389,864	399,342	409,045	418,977	429,145	439,552	450,206
Filling / 60+	100,194	121,884	127,844	132,908	139,451	146,258	153,338	160,700	168,356	176,315
Root canal / 0-14	6,854	8,109	8,277	8,376	8,517	8,660	8,804	8,951	9,100	9,251
Root canal / 15-59	70,373	83,467	85,398	86,636	88,308	90,010	91,744	93,509	95,308	97,139
Root canal / 60+	25,049	30,471	31,961	33,227	34,692	36,207	37,774	39,393	41,067	42,798
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	35,187	41,734	42,699	43,318	44,589	45,896	47,241	48,625	50,048	51,512
Periodontal course / 60+	20,039	24,377	25,569	26,582	28,027	29,539	31,121	32,775	34,505	36,313
Extraction / 0-14	20,561	24,328	24,831	25,129	25,299	25,470	25,640	25,810	25,981	26,151
Extraction / 15-59	154,821	183,628	187,876	190,600	192,363	194,139	195,929	197,732	199,549	201,380
Extraction / 60+	75,146	91,413	95,883	99,681	103,051	106,491	110,004	113,590	117,252	120,989
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	14,075	20,513	21,634	22,912	23,929	24,991	26,100	27,258	28,466	29,728
Implant package / 60+	11,689	17,473	18,893	20,504	21,935	23,457	25,074	26,794	28,620	30,561
Crown / bridge unit / 0-14	857	1,014	1,035	1,047	1,070	1,093	1,117	1,141	1,166	1,191
Crown / bridge unit / 15-59	49,261	58,427	59,779	60,646	62,120	63,629	65,174	66,756	68,375	70,032
Crown / bridge unit / 60+	33,398	40,628	42,615	44,303	46,484	48,753	51,113	53,567	56,119	58,772
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	5,630	6,677	6,832	6,931	7,065	7,201	7,339	7,481	7,625	7,771
Denture course / 60+	13,359	16,251	17,046	17,721	18,502	19,310	20,146	21,010	21,903	22,826
Orthodontic new starts / 0-14	13,707	15,119	15,588	15,922	16,349	16,786	17,235	17,695	18,166	18,649
Orthodontic new starts / 15-59	10,556	11,671	12,063	12,351	12,713	13,086	13,470	13,864	14,270	14,687
Orthodontic new starts / 60+	83	95	100	105	111	117	123	130	137	144

Source: KGI Research estimates; population statistics and company data.

Appendix Guangzhou demographics and spending

Figure 72: Guangzhou [illustrative] population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Guangzhou [illustrative] population and market inputs										
Resident population (persons)	18,734,100	18,827,000	18,978,000	19,101,000	19,215,606	19,330,900	19,446,885	19,563,566	19,680,948	19,799,033
Age 0–14 population	2,579,429	2,582,806	2,594,032	2,601,294	2,607,294	2,613,273	2,619,229	2,625,162	2,631,073	2,636,960
Age 15–59 population	13,923,844	13,955,236	14,029,207	14,081,931	14,127,991	14,174,097	14,220,248	14,266,443	14,312,679	14,358,957
Age 60+ population	2,230,827	2,288,957	2,354,761	2,417,775	2,480,320	2,543,530	2,607,408	2,671,961	2,737,196	2,803,116
Age 60+ share	11.9%	12.2%	12.4%	12.7%	12.9%	13.2%	13.4%	13.7%	13.9%	14.2%
Relative city service-price factor	1.18	1.18	1.17	1.17	1.17	1.16	1.16	1.16	1.16	1.16
Guangzhou [illustrative] demographic profile										
Resident population (persons)	18,734,100	18,827,000	18,978,000	19,101,000	19,215,606	19,330,900	19,446,885	19,563,566	19,680,948	19,799,033
Population evidence	Reported actual	Reported actual	Reported actual	Reported actual	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	13.8%	13.7%	13.7%	13.6%	13.6%	13.5%	13.5%	13.4%	13.4%	13.3%
Model age 15–59 share	74.3%	74.1%	73.9%	73.7%	73.5%	73.3%	73.1%	72.9%	72.7%	72.5%
Model age 60+ share	11.9%	12.2%	12.4%	12.7%	12.9%	13.2%	13.4%	13.7%	13.9%	14.2%
Model annual disposable income (RMB)	72,688	75,233	77,866	80,591	83,412	86,331	89,353	92,480	95,717	99,067
Guangzhou [illustrative] annual spending by service										
Standalone paid exam and prevention	249.3	303.8	301.0	304.2	314.6	328.7	343.4	358.7	374.8	391.5
Caries restoration	255.8	313.6	314.2	311.8	319.8	331.3	343.3	355.6	368.5	381.7
Endodontic treatment	180.0	218.8	217.3	213.7	218.4	225.3	232.5	239.9	247.5	255.3
Advanced nonsurgical periodontal care	91.4	111.4	110.7	109.6	113.3	118.3	123.5	128.9	134.6	140.6
Tooth extraction	96.9	114.5	117.1	118.7	120.2	122.9	125.6	128.5	131.3	134.3
Implant restoration	412.0	464.8	460.1	463.2	486.8	516.7	548.5	582.1	617.8	655.7
Nonimplant crown or bridge	203.4	240.7	236.5	229.8	236.6	246.0	255.8	266.0	276.6	287.7
Removable dentures	51.5	63.4	63.4	62.7	64.7	67.4	70.2	73.1	76.1	79.3
Orthodontic treatment	444.4	471.5	489.6	473.4	472.5	487.6	505.6	524.3	543.7	563.8
Total dental-service demand	1,984.7	2,302.5	2,309.8	2,287.1	2,346.9	2,444.2	2,548.4	2,657.2	2,771.0	2,889.9
Guangzhou [illustrative] treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	2.3	3.4	3.6	3.8	4.0	4.1	4.3	4.5	4.7	4.9
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	105.9	122.3	121.7	119.7	122.1	126.4	131.0	135.8	140.8	146.0
Treatment visit-equivalents (not unique users)	4,786,338	5,675,303	5,857,105	5,974,129	6,152,363	6,338,300	6,530,250	6,728,420	6,933,023	7,144,283
Visits per resident	0.255	0.301	0.309	0.313	0.320	0.328	0.336	0.344	0.352	0.361
Revenue / visit-equivalent (RMB)	414.7	405.7	394.4	382.8	381.5	385.6	390.2	394.9	399.7	404.5
Estimated market YoY growth	—	16.0%	0.3%	-1.0%	2.6%	4.1%	4.3%	4.3%	4.3%	4.3%
2025–2031 market CAGR	4.0%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Guangzhou annual treatment demand

Figure 73: Guangzhou annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	232,149	274,294	280,155	283,281	292,452	301,917	311,683	321,761	332,160	342,890
Exam / prevention / 15-59	1,113,908	1,317,374	1,346,804	1,363,131	1,408,617	1,455,611	1,504,161	1,554,318	1,606,136	1,659,669
Exam / prevention / 60+	133,850	162,058	169,543	175,530	185,473	195,906	206,851	218,331	230,371	242,997
Filling / 0-14	103,177	121,908	124,514	125,903	128,717	131,592	134,530	137,532	140,598	143,731
Filling / 15-59	626,573	741,023	757,577	766,761	784,655	802,960	821,685	840,842	860,438	880,485
Filling / 60+	133,850	162,058	169,543	175,530	183,673	192,121	200,884	209,975	219,403	229,181
Root canal / 0-14	10,318	12,191	12,451	12,590	12,809	13,031	13,256	13,485	13,719	13,955
Root canal / 15-59	139,238	164,672	168,350	170,391	173,513	176,690	179,925	183,217	186,568	189,979
Root canal / 60+	33,462	40,515	42,386	43,883	45,693	47,560	49,486	51,472	53,520	55,631
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	69,619	82,336	84,175	85,196	87,611	90,095	92,648	95,272	97,971	100,745
Periodontal course / 60+	26,770	32,412	33,909	35,106	36,915	38,802	40,771	42,824	44,967	47,201
Extraction / 0-14	30,953	36,573	37,354	37,771	38,047	38,325	38,605	38,885	39,168	39,452
Extraction / 15-59	306,325	362,278	370,371	374,861	377,968	381,097	384,250	387,425	390,624	393,847
Extraction / 60+	100,387	121,544	127,157	131,648	135,729	139,884	144,114	148,420	152,804	157,266
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	27,848	40,470	42,649	45,062	47,018	49,058	51,187	53,407	55,723	58,140
Implant package / 60+	15,616	23,233	25,055	27,079	28,891	30,812	32,849	35,009	37,298	39,725
Crown / bridge unit / 0-14	1,290	1,524	1,556	1,574	1,609	1,645	1,682	1,719	1,757	1,797
Crown / bridge unit / 15-59	97,467	115,270	117,845	119,274	122,057	124,905	127,818	130,798	133,846	136,964
Crown / bridge unit / 60+	44,617	54,019	56,514	58,510	61,224	64,040	66,961	69,992	73,134	76,394
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	11,139	13,174	13,468	13,631	13,881	14,135	14,394	14,657	14,925	15,198
Denture course / 60+	17,847	21,608	22,606	23,404	24,370	25,366	26,393	27,452	28,544	29,670
Orthodontic new starts / 0-14	20,635	22,729	23,450	23,932	24,587	25,259	25,950	26,659	27,387	28,134
Orthodontic new starts / 15-59	20,886	23,026	23,780	24,291	24,980	25,688	26,416	27,164	27,934	28,725
Orthodontic new starts / 60+	112	126	133	139	146	154	161	170	178	187

Source: KGI Research estimates; population statistics and company data.

Appendix Shenzhen demographics and spending

Figure 74: Shenzhen population age profile and dental-service spending

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Shenzhen [illustrative] population and market inputs										
Resident population (persons)	17,661,800	17,790,100	17,989,500	18,248,500	18,430,985	18,615,295	18,801,448	18,989,462	19,179,357	19,371,150
Age 0–14 population	2,651,092	2,661,455	2,682,292	2,711,785	2,729,687	2,747,677	2,765,753	2,783,915	2,802,165	2,820,501
Age 15–59 population	13,993,894	14,068,864	14,199,571	14,376,633	14,492,753	14,609,758	14,727,653	14,846,446	14,966,141	15,086,746
Age 60+ population	1,016,813	1,059,780	1,107,638	1,160,082	1,208,544	1,257,860	1,308,042	1,359,101	1,411,051	1,463,904
Age 60+ share	5.8%	6.0%	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%
Relative city service-price factor	1.19	1.19	1.18	1.18	1.18	1.19	1.19	1.19	1.19	1.19
Shenzhen [illustrative] demographic profile										
Resident population (persons)	17,661,800	17,790,100	17,989,500	18,248,500	18,430,985	18,615,295	18,801,448	18,989,462	19,179,357	19,371,150
Population evidence	Reported actual	Reported actual	Reported actual	Reported actual	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption	Market assumption
Model age 0–14 share	15.0%	15.0%	14.9%	14.9%	14.8%	14.8%	14.7%	14.7%	14.6%	14.6%
Model age 15–59 share	79.2%	79.1%	78.9%	78.8%	78.6%	78.5%	78.3%	78.2%	78.0%	77.9%
Model age 60+ share	5.8%	6.0%	6.2%	6.4%	6.6%	6.8%	7.0%	7.2%	7.4%	7.6%
Model annual disposable income (RMB)	74,437	77,787	81,287	84,945	88,768	92,762	96,936	101,298	105,857	110,620
Shenzhen [illustrative] annual spending by service										
Standalone paid exam and prevention	239.5	293.3	292.4	298.6	310.8	326.9	343.7	361.4	380.0	399.6
Caries restoration	237.4	292.4	294.5	295.2	304.7	317.7	331.2	345.3	359.9	375.2
Endodontic treatment	163.5	199.6	199.4	198.1	203.6	211.4	219.5	227.8	236.5	245.6
Advanced nonsurgical periodontal care	78.4	96.0	95.8	95.8	99.6	104.7	110.0	115.5	121.3	127.5
Tooth extraction	86.2	102.3	105.2	107.7	109.7	112.9	116.1	119.4	122.9	126.4
Implant restoration	334.7	379.3	377.5	383.9	405.9	433.5	462.9	494.3	527.8	563.6
Nonimplant crown or bridge	170.6	202.8	200.3	196.5	203.6	213.0	222.8	233.1	243.9	255.1
Removable dentures	34.6	42.8	43.1	43.1	44.8	47.1	49.4	51.9	54.4	57.1
Orthodontic treatment	453.0	482.0	503.3	490.8	494.3	513.7	536.4	560.1	584.8	610.7
Total dental-service demand	1,798.0	2,090.6	2,111.4	2,109.7	2,177.2	2,280.7	2,391.9	2,508.8	2,631.7	2,760.8
Shenzhen [illustrative] treatment uptake indicators										
Adult caries-tooth stock treated / year	3.5%	4.1%	4.2%	4.2%	4.3%	4.4%	4.5%	4.6%	4.7%	4.7%
Senior caries-tooth stock treated / year	2.3%	2.7%	2.8%	2.8%	2.9%	2.9%	3.0%	3.0%	3.1%	3.1%
Adult paid perio / clinical prevalence	0.9%	1.1%	1.1%	1.1%	1.2%	1.2%	1.2%	1.3%	1.3%	1.3%
Senior paid perio / clinical prevalence	1.9%	2.2%	2.2%	2.2%	2.3%	2.4%	2.4%	2.5%	2.5%	2.6%
Implant units per 1,000 residents	2.0	2.9	3.1	3.2	3.4	3.5	3.7	3.9	4.0	4.2
Child implant unit difference (must be 0)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Annual dental spend / resident (RMB)	101.8	117.5	117.4	115.6	118.1	122.5	127.2	132.1	137.2	142.5
Treatment visit-equivalents (not unique users)	4,402,176	5,217,121	5,401,073	5,548,996	5,737,801	5,934,247	6,137,779	6,348,666	6,567,186	6,793,628
Visits per resident	0.249	0.293	0.300	0.304	0.311	0.319	0.326	0.334	0.342	0.351
Revenue / visit-equivalent (RMB)	408.4	400.7	390.9	380.2	379.4	384.3	389.7	395.2	400.7	406.4
Estimated market YoY growth	—	16.3%	1.0%	-0.1%	3.2%	4.8%	4.9%	4.9%	4.9%	4.9%
2025–2031 market CAGR	4.6%	—	—	—	—	—	—	—	—	—

Source: Population statistics and KGI Research estimates.

Appendix Shenzhen annual treatment demand

Figure 75: Shenzhen annual paid treatment units by age

Line item	2022M	2023M	2024M	2025M	2026E	2027E	2028E	2029E	2030E	2031E
Exam / prevention / 0-14	238,598	282,647	289,687	295,313	306,181	317,445	329,119	341,219	353,759	366,756
Exam / prevention / 15-59	1,119,512	1,328,101	1,363,159	1,391,658	1,444,985	1,500,351	1,557,832	1,617,509	1,679,466	1,743,790
Exam / prevention / 60+	61,009	75,032	79,750	84,222	90,373	96,882	103,770	111,055	118,759	126,903
Filling / 0-14	106,044	125,621	128,750	131,250	134,759	138,360	142,056	145,849	149,741	153,735
Filling / 15-59	629,725	747,057	766,777	782,808	804,913	827,640	851,005	875,026	899,722	925,112
Filling / 60+	61,009	75,032	79,750	84,222	89,495	95,010	100,776	106,804	113,105	119,688
Root canal / 0-14	10,604	12,562	12,875	13,125	13,410	13,701	13,998	14,301	14,611	14,927
Root canal / 15-59	139,939	166,013	170,395	173,957	177,993	182,121	186,345	190,665	195,086	199,608
Root canal / 60+	15,252	18,758	19,937	21,055	22,264	23,520	24,825	26,181	27,590	29,053
Periodontal course / 0-14	0	0	0	0	0	0	0	0	0	0
Periodontal course / 15-59	69,969	83,006	85,197	86,979	89,873	92,864	95,953	99,146	102,444	105,851
Periodontal course / 60+	12,202	15,006	15,950	16,844	17,987	19,189	20,453	21,783	23,181	24,650
Extraction / 0-14	31,813	37,686	38,625	39,375	39,833	40,296	40,764	41,237	41,715	42,198
Extraction / 15-59	307,866	365,228	374,869	382,706	387,726	392,811	397,960	403,176	408,459	413,809
Extraction / 60+	45,757	56,274	59,812	63,166	66,134	69,177	72,297	75,494	78,772	82,131
Implant package / 0-14	0	0	0	0	0	0	0	0	0	0
Implant package / 15-59	27,988	40,800	43,167	46,005	48,232	50,566	53,013	55,578	58,268	61,087
Implant package / 60+	7,118	10,757	11,785	12,993	14,077	15,238	16,479	17,808	19,228	20,746
Crown / bridge unit / 0-14	1,326	1,570	1,609	1,641	1,684	1,730	1,776	1,823	1,872	1,922
Crown / bridge unit / 15-59	97,957	116,209	119,276	121,770	125,209	128,744	132,379	136,115	139,957	143,906
Crown / bridge unit / 60+	20,336	25,011	26,583	28,074	29,832	31,670	33,592	35,601	37,702	39,896
Denture course / 0-14	0	0	0	0	0	0	0	0	0	0
Denture course / 15-59	11,195	13,281	13,632	13,917	14,239	14,570	14,908	15,253	15,607	15,969
Denture course / 60+	8,135	10,004	10,633	11,230	11,874	12,544	13,240	13,963	14,715	15,495
Orthodontic new starts / 0-14	21,209	23,421	24,248	24,948	25,741	26,558	27,401	28,271	29,168	30,092
Orthodontic new starts / 15-59	20,991	23,214	24,068	24,800	25,625	26,478	27,359	28,269	29,209	30,181
Orthodontic new starts / 60+	51	58	63	67	71	76	81	86	92	98

Source: KGI Research estimates; population statistics and company data.

Financial Summary

INCOME STATEMENT (RMB'000)	FY22A	FY23A	FY24A	FY25A	1H26A
Revenue	139,721	177,255	177,485	171,048	76,357
Direct materials	(48,159)	(57,993)	(58,210)	(57,890)	(24,373)
After materials	91,562	119,262	119,275	113,158	51,984
Employee costs	(69,802)	(76,868)	(79,398)	(74,723)	(37,398)
Other op. costs	(16,804)	(20,802)	(18,586)	(17,671)	(8,034)
Other op. income	859	(431)	2,713	3,147	313
Operating EBITDA	5,815	21,161	24,004	23,911	6,865
Depreciation & amortisation	(17,984)	(17,832)	(14,965)	(14,768)	(6,255)
Operating profit (EBIT)	(12,169)	3,329	9,039	9,143	610
Net finance income / (cost)	(2,339)	(1,660)	(1,373)	(718)	70
Associate items	(58,455)	(45,808)	(14,237)	(29)	(176)
Profit before tax	(72,963)	(44,139)	(6,571)	8,396	504
Tax expense	5,288	(3,161)	(1,426)	(1,462)	(312)
Minority interests	2	-	(1)	39	159
Net profit (PATMI)	(67,673)	(47,300)	(7,998)	6,973	351
EPS (RMB cents)	(13.25)	(9.25)	(1.56)	1.30	0.03
DPS (RMB cents)	-	-	-	-	-

CASH FLOW STATEMENT (RMB'000)	FY22A	FY23A	FY24A	FY25A	1H26A
Profit before tax	(72,963)	(44,139)	(6,571)	8,396	504
Depreciation & amortisation	17,984	17,832	14,965	14,768	6,255
Working capital changes	6,501	(3,944)	6,681	(19,798)	(1,733)
Tax paid	(117)	(284)	(360)	(1,717)	(506)
Other operating items	64,567	48,383	15,475	2,489	539
Operating cash flow	15,972	17,848	30,190	4,138	5,059
Capex	(4,024)	(3,863)	(2,153)	(2,206)	(34,533)
Disposals / dividends	23,085	10,497	-	257	-
Other investing items	-	-	-	-	-
Investing cash flow	19,061	6,634	(2,153)	(1,949)	(34,533)
Net debt drawdown / (repayment)	(20,507)	(11,818)	(7,793)	(5,621)	(1,463)
Dividends paid	-	-	-	-	-
Equity issuance / (buyback)	2,270	-	-	82,801	109,460
Other financing items	(2,439)	(1,797)	(1,489)	(967)	(347)
Financing cash flow	(20,676)	(13,615)	(9,282)	76,213	107,650
Net cash change incl. FX	15,059	11,755	18,753	78,771	74,570
Opening CF cash	24,370	39,429	51,184	69,937	148,708
Closing CF cash	39,429	51,184	69,937	148,708	223,278

BALANCE SHEET (RMB'000)	FY22A	FY23A	FY24A	FY25A	1H26A
Cash and deposits	39,429	51,184	69,937	148,708	223,278
Inventories	11,113	11,075	10,320	9,638	10,085
Trade & other receivables	33,856	37,534	39,908	48,667	49,569
Other current assets	1,605	1,775	1,767	2,386	2,629
Current assets	86,003	101,568	121,932	209,399	285,561
Property, plant & equipment	41,972	34,395	28,427	22,236	22,135
Intangibles / goodwill	129,115	128,125	127,309	126,543	126,323
ROU / other NC assets	112,771	52,482	31,189	25,308	51,574
Non-current assets	283,858	215,002	186,925	174,087	200,032
Total assets	369,861	316,570	308,857	383,486	485,593
Trade / other payables	23,146	23,147	31,451	21,235	21,656
ST debt and leases	11,659	7,701	7,030	5,215	3,353
Other current liabilities	199	335	425	312	175
Current liabilities	35,004	31,183	38,906	26,762	25,184
LT debt and leases	23,609	17,843	10,945	7,246	7,192
Other non-current liabilities	722	519	346	204	149
Non-current liabilities	24,331	18,362	11,291	7,450	7,341
Total liabilities	59,335	49,545	50,197	34,212	32,525
Shareholders' equity	310,526	267,025	258,659	348,757	452,724
Minority interests	-	-	1	517	344
Total equity	310,526	267,025	258,660	349,274	453,068

KEY RATIOS & VALUATION	FY22A	FY23A	FY24A	FY25A	1H26A
Revenue growth (%)	(12.8%)	26.9%	0.1%	(3.6%)	(12.1%)
After-mat. margin (%)	65.5%	67.3%	67.2%	66.2%	68.1%
EBITDA margin (%)	4.2%	11.9%	13.5%	14.0%	9.0%
Net profit margin (%)	(48.4%)	(26.7%)	(4.5%)	4.1%	0.5%
ROE (%)	(20.1%)	(16.4%)	(3.0%)	2.3%	0.1%
ROA (%)	(16.7%)	(13.8%)	(2.6%)	2.0%	0.0%
Net debt / equity (x)	(0.0x)	(0.1x)	(0.2x)	(0.4x)	(0.5x)
Net debt / EBITDA (x)	(0.7x)	(1.2x)	(2.2x)	(5.7x)	(31.0x)

Source: Company, KGI Research estimates

KGI's Ratings

The following table summarises the ratings convention used by KGI Securities in this and other research reports.

Rating	Definition
Outperform (OP)	We take a positive view on the stock. The stock is expected to outperform the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon.
Neutral (N)	We take a neutral view on the stock. The stock is expected to perform in line with the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon.
Underperform (U)	We take a negative view on the stock. The stock is expected to underperform the expected total return of the KGI coverage universe in the related market over a 12-month investment horizon.
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