

TARGET

Intelligence Report

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T U E S D A Y

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**MODERN DENTAL GROUP LTD:
PRESENTATION CAN BE,
JUST ABOUT, EVERYTHING ... OR NOTHING**

On studying the 11-paragraph statements of Mr Chan Kwun Fung (陳冠峰), the Chairman of the Board of Directors of Modern Dental Group Ltd (現代牙科集團有限公司) (Code: 3600, Main Board, The Stock Exchange of Hongkong Ltd), in respect of the Financial Year, ended December 31, 2020, one could well be led to believe that all was well at this manufacturer and distributor of fixed prosthetic devices, removable prosthetic devices, and other devices.

But, in fact, all was far from being well at this Company with regard to the 2020 Financial Year.

In fact, if anything, the situation at this publicly listed company had the outward appearance of being somewhat catastrophic with regard to the 2020 Financial Year, with the Net Profit Attributable to Shareholders, coming in at \$HK107,763,000, a reduction of about 33.30 percent, compared with the 2019 Financial Year.

At Page 66 of the 2020 Annual Report, one was presented with a '**CONSOLIDATED STATEMENT OF PROFIT OR LOSS**' in respect of the Financial Year, ended December 31, 2020:

	'2020 HK\$'000	2019 HK\$'000
REVENUE	2,190,208	2,399,548
<i>Cost of sales</i>	(1,100,220)	(1,246,617)
<i>Gross profit</i>	1,089,988	1,152,931
<i>Other income and gains</i>	27,394	14,737
<i>Selling and distribution expenses</i>	(251,410)	(294,352)
<i>Administrative expenses</i>	(555,817)	(615,725)
<i>Impairment of goodwill</i>	(150,132)	—
<i>Other operating expenses</i>	(563)	(17,177)
<i>Finance costs</i>	(33,699)	(37,902)
<i>Share of losses of associates</i>	(1,537)	(504)
PROFIT BEFORE TAX	124,224	202,008

<i>Income tax expense</i>	<i>(16,565)</i>	<i>(41,563)</i>
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PROFIT FOR THE YEAR	107,659	160,445
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ATTRIBUTABLE TO:		
<i>Owners of the Company</i>	107,763	161,557
<i>Non-controlling interests</i>	<i>(104)</i>	<i>(1,112)</i>
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	107,659	160,445
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That Which Chairman Chan Kwun Fung Stated

The ... [CLICK TO ORDER FULL ARTICLE](#)

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