



MEDTECS INTERNATIONAL CORPORATION LIMITED

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The contact persons for the Sponsor are Ms. Evelyn Wee (Telephone Number: +65 6232 0724) and Mr. Howard Cheam Heng Haw (Telephone Number: +65 6233 0685), R & T Corporate Services Pte. Ltd., at 9 Straits View #06-07, Marina One West Tower, Singapore 018937.

Full Year Financial Statements

PART I - INFORMATION REQUIRED FOR QUARTERLY - (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS ANNOUNCEMENT

1.(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Full Year Results	Group		
	US\$'000		%
	Latest Year 31 Dec 2020 Unaudited	Previous Year 31 Dec 2019 Audited	Increase/ (Decrease)
Revenue	400,327	68,977	480.4
Costs of sales and services	(228,707)	(58,446)	291.3
Gross profit	171,620	10,531	1,529.7
Other items of income			
Other operating income, net	379	759	(50.1)
Financial income	36	209	(82.8)
Other items of expense			
Distribution and selling expenses	(22,271)	(2,600)	756.6
Administrative expenses	(13,139)	(4,896)	168.4
Financial expenses	(1,535)	(2,486)	(38.3)
Profit before tax	135,090	1,517	8,805.1
Income tax expense	(3,374)	(351)	861.3
Net profit for the period	131,716	1,166	11,196.4
Attributable to:			
Equity holders of the Company	131,711	1,162	11,234.9
Non-controlling interests	5	4	25.0
Net profit for the period	131,716	1,166	11,196.4

1(a)(ii) The following items (with appropriate breakdowns and explanations), if significant, must either be included in the income statement or in the notes to the income statement for the current financial period reported on and the corresponding period of the immediately preceding financial year:

	US\$'000	
	Latest Year 2020 Unaudited	Previous Year 2019 Audited
Depreciation	4,427	2,292
Amortization of:		
Assets held for leasing	3,269	2,832
Right-of-use assets	533	687
Interest expense	1,486	2,287
Other finance cost	49	199
Interest income	(36)	(209)
Movement of pension benefit obligation	146	100

**Statement of Comprehensive Income
For the year ended 31 December 2020**

	Group		
	US\$'000		%
	Latest Year 2020 Unaudited	Previous Year 2019 Audited	Increase/ (Decrease)
Profit after tax	131,716	1,166	11,196.4
Exchange difference on consolidation	3,001	319	840.8
Actuarial losses	(148)	(243)	(39.1)
Total comprehensive income	134,569	1,242	10,734.9
Attributable to:			
Equity holders of the Company	134,564	1,238	10,769.5
Non-controlling interests	5	4	25.0
Total comprehensive income	134,569	1,242	10,734.9

1. (b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Full Year Balance Sheet as at 31 December

		Group		Company	
		US\$'000		US\$'000	
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
ASSETS					
Non-current assets					
Property, plant and equipment, net		21,499	19,170	50	43
Investment properties		2,839	2,950	–	–
Assets held for leasing		4,358	6,087	–	–
Right-of-use of asset		5,573	5,441	77	115
Investment in subsidiaries		–	–	28,353	24,883
Goodwill		709	709	–	–
Deferred tax assets		33	21	12	14
Other non-current assets		4,617	6,934	296	3,796
		<u>39,628</u>	<u>41,312</u>	<u>28,788</u>	<u>28,851</u>
Current assets					
Inventories	Note 1	53,678	37,844	611	78
Trade receivables	Note 1	49,308	13,344	17,442	5,749
Other current assets		15,733	16,103	14,497	12,349
Due from subsidiaries (trade)		–	–	30,780	–
Fixed deposits		5,178	4,930	–	–
Cash and bank balances	Note 2	82,161	3,070	20,008	46
		<u>206,058</u>	<u>75,291</u>	<u>83,338</u>	<u>18,222</u>
TOTAL ASSETS		<u>245,686</u>	<u>116,603</u>	<u>112,126</u>	<u>47,073</u>

EQUITY AND LIABILITIES

		Group		Company	
		US\$'000		US\$'000	
		31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Current liabilities					
Trade payables and other current liabilities	Note 3	10,357	3,836	3,287	335
Due to subsidiaries (trade)		–	–	–	18,045
Term loans (current portion)		1,250	387	1,250	–
Bank loans		31,603	36,279	–	–
Income tax payable		2,775	900	1	1
		<u>45,985</u>	<u>41,402</u>	<u>4,538</u>	<u>18,381</u>
NET CURRENT ASSETS (LIABILITIES)		160,073	33,889	78,800	(159)
Non-current liabilities					
Term loans		228	5,870	–	3,750
Lease liability		3,544	3,563	211	258
Deferred tax liabilities		181	213	–	–
Other non-current liabilities		1,258	965	276	225
		<u>5,211</u>	<u>10,611</u>	<u>487</u>	<u>4,233</u>
TOTAL LIABILITIES		<u>51,196</u>	<u>52,013</u>	<u>5,025</u>	<u>22,614</u>
NET ASSETS		<u>194,490</u>	<u>64,590</u>	<u>107,101</u>	<u>24,459</u>
Equity attributable to equity holders of the Company					
Share capital		27,471	27,471	27,471	27,471
Share premium		4,721	4,721	4,721	4,721
Actuarial gains/(losses)		(142)	6	11	24
Foreign currency translation reserve		3,232	231	–	–
Other reserves		394	394	561	561
Revenue reserves/(deficits)		157,789	30,747	74,337	(8,318)
		<u>193,465</u>	<u>63,570</u>	<u>107,101</u>	<u>24,459</u>
Non-controlling interests		1,025	1,020	–	–
Total equity		<u>194,490</u>	<u>64,590</u>	<u>107,101</u>	<u>24,459</u>
TOTAL EQUITY AND LIABILITIES		<u>245,686</u>	<u>116,603</u>	<u>112,126</u>	<u>47,073</u>

Explanatory notes that are material to an understanding of the information:

Note 1 Increase in Inventories and Trade Receivables are attributed to the increase in sales and customer demand.

Note 2 Increase in Cash and Cash Equivalents is due to higher cash generated from operations.

Note 3 Increase in Trade Payables and Other Payables is due to purchases of raw materials.

1.(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities, specify the following as at the end of the current financial period reported on with comparative figures as at the end of the immediately preceding financial year:

Amount repayable in one year or less, or on demand

As at 31 December 2020 US\$'000		As at 31 December 2019 US\$'000	
Secured	Unsecured	Secured	Unsecured
2,372	30,481	2,224	34,442

Amount repayable after one year

As at 31 December 2020 US\$'000		As at 31 December 2019 US\$'000	
Secured	Unsecured	Secured	Unsecured
228	–	4,367	1,503

1.(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Full Year Statement of Cash Flows

Group US\$'000	
Latest Year 2020 Unaudited	Previous Year 2019 Audited

OPERATING ACTIVITIES

Profit before tax	135,090	1,517
Adjustments for:		
Depreciation	4,427	2,292
Amortization of:		
Assets held for leasing	3,269	2,832
Right-of-use assets	533	687
Provision for inventory obsolescence	659	246
Financial expense	1,486	2,287
Other finance costs	49	199
Financial income	(36)	(209)
Gain on disposal of property, plant and equipment	-	(8)
Operating cash flows before working capital changes	145,477	9,843
Decrease/(increase) in:		
Other current assets	258	163
Trade receivables	(34,108)	1,552
Inventories	(15,845)	(4,162)
Increase/(decrease) in:		
Pension benefits obligation	146	99
Trade payables and other current liabilities	7,018	(2,590)
Net cash generated from operations	102,946	4,905
Income taxes paid	(1,543)	(545)
Other finance costs paid	(49)	(199)
Interest received	36	209
Net cash generated from operating activities	101,390	4,370

1.(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year (continued).

Group US\$'000	
Latest Year 2020 Unaudited	Previous Year 2019 Audited

INVESTING ACTIVITIES

Purchases of:

Property, plant and equipment	(6,645)	(1,952)
Assets held for leasing	(1,540)	(2,620)
Decrease / (Increase) in other non-current assets	2,111	(451)
Proceeds from disposal of:		
Property, plant and equipment	-	356
Assets held for leasing	-	18
Net cash used in investing activities	(6,074)	(4,649)

FINANCING ACTIVITIES

Proceeds / (Payment) of short-term bank loans – net	(4,676)	3,563
Payment of term loans – net	(4,779)	(1,841)
Fixed deposit	(248)	(670)
Interest paid	(1,203)	(2,004)
Payment of lease liabilities	(649)	(215)
Dividends paid	(4,669)	-
Increase (decrease) in other non-current liability	(1)	(5)
Net cash used in financing activities	(16,225)	(1,172)
Net increase / (decrease) in cash and bank balances	79,091	(1,451)
Cash and bank balances at beginning of period	3,070	4,521
Cash and bank balances at end of period	82,161	3,070

1.(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Group

US\$'000									
Attributed to equity holders of the Group									
Share capital	Share Premium	Actuarial gains (losses)	Translation Reserves	Revenue reserves	Other reserves	Total reserves	Non-controlling interests	Total equity	
Balance at 1 January 2019	27,471	4,721	249	(88)	29,585	394	29,891	1,016	63,348
Net profit for the year	–	–	–	–	1,162	–	1,162	4	1,166
<u>Other comprehensive income for the year</u>									
Foreign currency translation reserves	–	–	–	319	–	–	319	–	319
Actuarial losses	–	–	(243)	–	–	–	–	–	(243)
Other comprehensive income for the year			(243)	319	–	–	319	–	76
Total comprehensive income/(loss) for the year	–	–	(243)	319	1,162	–	1,481	4	1,242
Balance at 31 December 2019	27,471	4,721	6	231	30,747	394	31,372	1,020	64,590

US\$'000									
Attributed to equity holders of the Group									
Share capital	Share Premium	Actuarial gains (losses)	Translation Reserves	Revenue reserves	Other reserves	Total reserves	Non-controlling interests	Total equity	
Balance at 31 December 2019 and 1 January 2020	27,471	4,721	6	231	30,747	394	31,372	1,020	64,590
Net profit for the year	–	–	–	–	131,711	–	131,711	5	131,716
<u>Other comprehensive income for the year</u>									
Foreign currency translation reserves	–	–	–	3,001	–	–	3,001	–	3,001
Actuarial losses	–	–	(148)	–	–	–	–	–	(148)
Other comprehensive income for the year			(148)	3,001	–	–	3,001	–	2,853
Total comprehensive income/(loss) for the year	–	–	(148)	3,001	131,711	–	134,712	5	134,569
Cash dividends declared	–	–	–	–	(4,669)	–	(4,669)	–	(4,669)
Balance at 31 December 2020	27,471	4,721	(142)	3,232	157,789	394	161,415	1,025	194,490

Company

US\$'000							
Attributed to equity holders of the Company							
Share capital	Share premium	Actuarial Gain (Loss) on Retirement	Revenue reserves	Other reserves	Total reserves	Total equity	
Balance at 1 January 2019	27,471	4,721	94	(9,000)	561	(8,439)	23,847
Net income for the year	–	–	–	682	–	682	682
Other Comprehensive Income for the year	–	–	(70)	–	–	–	(70)
Total Other Comprehensive Income for the year	–	–	(70)	682	–	682	612
Balance at 31 December 2019 and 1 January 2020	27,471	4,721	24	(8,318)	561	(7,757)	24,459
Net income for the year	–	–	–	87,324	–	87,324	87,324
Other Comprehensive Income for the year	–	–	(13)	–	–	–	(13)
Total Other Comprehensive Income for the year	–	–	(13)	87,324	–	87,324	87,311
Cash dividends declared	–	–	–	(4,669)	–	(4,669)	(4,669)
Balance at 31 December 2020	27,471	4,721	11	74,337	561	74,898	107,101

1.(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Not Applicable.

1.(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

The total number of issued shares as at 31 December 2020 and 31 December 2019 was 549,411,240 shares. There were no treasury shares held by the Company as at the end of the current financial period reported on and as at the end of the immediately preceding year.

1.(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not Applicable.

1.(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not Applicable.

2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited nor reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not Applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable – the Group's financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable. See note (a) above.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statement have been applied.

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at and for the financial year ended 31 December 2019.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends:

Group	
Latest Year FY2020 Unaudited	Previous Year FY2019 Audited

Earnings per ordinary share for the period after deducting any provision for preference dividends:

(i) Based on weighted average number of ordinary shares in issue	23.973 US cents	0.211 US cents
(ii) On a fully diluted basis	23.973 US cents	0.211 US cents

Explanatory note to 6 (i) and (ii)

Earnings per share for the financial year ended 31 December 2020 and 31 December 2019 are calculated based on the existing issued share capital of 549,411,240. The full year earnings per share on a fully diluted basis are calculated based on the number of issued shares of 549,411,240. There were no adjustments made to the earnings since the effects of share options are anti-dilutive.

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the: (a) current financial period reported on and (b) immediately preceding financial year.

Group	
Latest Year As at 31 Dec 2020 Unaudited	Previous Year As at 31 Dec 2019 Audited

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares as at the end of the period reported on

35.40 US cents 11.76 US cents

Company	
Latest Year As at 31 Dec 2020 Unaudited	Previous Year As at 31 Dec 2019 Audited

Net asset value per ordinary share based on the total number of issued shares excluding treasury shares as at the end of the period reported on

19.49 US cents 4.45 US cents

Explanatory note to 7

The net asset value per ordinary share is calculated based on 549,411,240 issued shares for the financial year ended 31 December 2020 and 31 December 2019.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following: (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Business Overview

The Group's revenue increased significantly by 480.4% to US\$400.3 million in the financial year ended 31 December ("FY") 2020 from US\$69.0 million in FY2019 due to the global surge in demand for Personal Protective Equipment ("PPE") arising from the COVID-19 pandemic which led to an increase in sales from our customers. Net profit increased significantly by 11,196.4% to US\$131.7 million in FY2020 from US\$1.2 million in FY2019 due to improved economies of scale and higher proportion of sales of Medtecs-branded product and PPEs.

Revenue

Revenue from the Original Product Manufacturing ("OPM") division increased significantly by 576.4% to US\$357.8 million in FY2020 from US\$52.9 million in FY2019 due to global surge in demand for PPE as well as increase in sales from our existing customers.

Revenues from Hospital Services division marginally improved by 2.8% to US\$14.7 million in FY2020 from US\$14.3 million in FY2019, which was attributable to higher linen consumption in Taiwan and Philippines. Revenues from Trading, Distribution and others increased significantly by 1,444.2% to US\$27.8 million in FY2020 from US\$1.8 million in FY2019 due to higher customer demand on healthcare items.

Profitability

The Group's gross profit increased significantly by 1,529.7% to US\$171.6 million in FY2020 from US\$10.5 million in FY2019 arising from higher revenues and higher margined sales. This led to an increase in the Group's gross profit margins to 42.9% in FY2020 from 15.3% in FY2019.

Gross Profit from the OPM division increased significantly by 1,581.6% to US\$157.6 million in FY2020 from US\$9.4 million in FY2019 attributable to higher margined sales. OPM Gross profits margins improved significantly by 26.3% to 44.1% in FY2020 from 17.7% in FY2019 from higher economies of scales and higher margined product line.

Hospital Services division gross profit decreased by 243.1% to a loss of US\$1.0 million in FY2020 from a profit of US\$0.7 million in FY2019 from higher labor and linen-amortization cost.

Gross Profit from Trading, Distribution and others division increased significantly by 2,975.0% to US\$14.9 million in FY2020 from US\$0.5 million in FY2019 due to higher-margined sales and higher customer demand.

Other operating income net decreased by 50.1% to US\$0.4 million in FY2020 from US\$0.8 million in FY2019 from lower foreign exchange gains.

Distribution, Selling and administrative expenses increased by 372.4% to US\$35.4 million in FY2020 from US\$7.5 million in FY2019 from higher selling and operating expenses from expanded operations and revenues.

Financial Expenses decreased by 38.3% to US\$1.5 million in FY2020 from US\$2.5 million in FY2019 due to lower bank borrowings.

Income tax expenses increased by 861.3% to US\$3.4 million in FY2020 from US\$0.4 million in FY2019 due to the higher profitability of the Group.

Net profit increased significantly by 11,196.4% to US\$131.7 million in FY2020 from US\$1.2 million in FY2019 due to improved economies of scale and higher proportion of Medtecs-branded product and PPEs.

Cash Flow and Balance Sheet

Total assets of the Group increased by US\$129.1 million to US\$245.7 million in FY2020 from US\$116.6 million in FY2019 due to an increase in trade receivables and inventories from higher sales and customer demand. Property, plant and equipment increased to US\$21.5 million in FY2020 from US\$19.2 million in FY2019 as a result of the acquisition of new machineries and equipment for our mask and PPE product line.

The Group generated an operating cash flow of US\$101.4 million in FY2020 from the operating cash flow of US\$4.4 million in FY2019, which was attributable to increases in revenue and profitability. Cash outflow for investing activities increased to US\$6.1 million in FY2020 from US\$4.6 million in FY2019, mainly attributable to additional plant machineries and new equipment in the Philippines and in Cambodia for our mask and PPE product line. Cash outflow from financing activities of US\$16.2 million due to payments of loans and cash dividends.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

It was stated in the announcement dated 27 February 2020 of the Group's unaudited full year financial results for FY2019 and the Company's annual report for FY2019 that "Barring unforeseen circumstances, the Group expects to be more profitable in the financial year ending 31 December 2020".

It was stated in the announcement dated 11 August 2020 of the Group's unaudited financial results for the half year ended 30 June 2020 that "Looking ahead to the second half of the year, due to long-term supply contracts and a steady stream of new orders, barring unforeseen circumstances, the Group's revenue and profit is expected to exceed that of the first half of the year."

It was stated in the announcement dated 13 October 2020 of the Group's unaudited results for the third quarter ended 30 September 2020 and outlook that "With long-term indicative orders in hand and stabilizing raw material prices, the Company expects to report record revenue and profit in the fourth quarter and financial year ending 31 December 2020".

The Group's financial results for the financial year ended 31 December 2020 is consistent with the aforementioned prospect statements previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Looking ahead to 2021, the world is still reeling from the effects of COVID-19 and PPE and healthcare products continue to be in high demand globally. Various studies have shown that the global PPE market size is expected to grow at a compound annual growth rate of between 6 to 12% between 2020 to 2025.

Barring unforeseen circumstances, the Group is expected to remain profitable.

The Company has expanded its production capacity in Cambodia and the Philippines for key products such as facemasks, isolation gowns, and other protective apparels in 2020. The Company will leverage on the post-COVID 19 change in the overall awareness of the importance of PPE and best practices for future pandemic planning to broaden product offering and expand its market share.

Concurrently, the Group will make full use of e-commerce platforms through the business model of "Source and Sell Globally", which will drive customer engagement and help the Group source for quality raw materials as well as diversify our pool of trusted PPE suppliers to minimize the impact of supply chain disruption.

The Group has expanded into business to consumer services in 2020 and will leverage on the increased consumer awareness for its *Medtecs* brand and seek collaboration and franchising opportunities. The Group's *CoverU* branded protective equipment and disease prevention products, which was launched in 2020, made a successful entry into European and American markets in 2020 and has been in high demand since then as the COVID-19 crisis shows little sign of abating in these two regions.

The Group continues to engage with state and government agencies globally on providing PPE stockpiling solutions. The Company's ongoing research and development efforts had led to new product launches, such as the *Medtecs Shield* collection, the nanotechnology-inspired anti-viral product line which protects against the spread of pathogens which is both environmentally friendly and cost-effective.

The Company announced multiple strategic alliances in 2020 and will continue to explore these options as well as seek out other joint venture and/or acquisition opportunities in 2021 to broaden the Group's product range and to build a fully integrated product development, manufacturing, sales and distribution platform in line with the Company's mission to supply and deliver reliable and high-quality PPE and healthcare products.

The COVID-19 pandemic has increased awareness of the Group's brand and demand for the Group's products. With the above-mentioned sales and operational strategies, the Group will continue to promote organic growth by building awareness for its own brand, develop new products, and expand sales channels to gradually decrease the Group's reliance on OPM revenues. In addition, the Group will continue to build strategic partnerships and seek joint venture and/or acquisition opportunities to enhance competitiveness and sustain the growth of the Group.

11. If a decision regarding dividend has been made:

(a) *Whether an interim (final) ordinary dividend has been declared (recommended).*

Yes, a final cash dividend has been recommended.

(b)

(i) Amount per share

US\$0.0418 per ordinary share.

(ii) Previous corresponding period

No dividend had been declared in the financial year ended 31 December 2019. An interim dividend of US\$ 0.0085 per ordinary share was declared in respect of the half-year ended 30 June 2020.

(c) *Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived. (If the dividend is not taxable in the hands of shareholders, this must be stated)*

The dividend is one-tier, tax exempt.

(d) *The date the dividend is payable*

The date for dividend payment will be announced at a later date, subject to approval by shareholders at the forthcoming general meeting.

(e) *The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined.*

To be announced at a later date.

12. If no dividend has been declared (recommended), a statement to that effect and the reason(s) for the decision.

Not applicable.

13. If the group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have a shareholders' mandate for interested person transactions.

14. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1).

The Company hereby confirms that it has procured undertakings from all its directors and executive officers (in the format as set out in Appendix 7H) in accordance with Rule 720(1) of the Catalist Rules.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

15. Segmented revenue and results for operating segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Geographical Segment

	NORTH AMERICA	ASIA PACIFIC	EUROPE	AUSTRALIA	GROUP
2020					
Turnover	55,044	211,639	118,929	14,715	<u>400,327</u>
Results	18,781	72,210	40,578	5,020	136,589
Financial expenses					(1,535)
Financial income					36
Taxation					(3,374)
Net profit					<u><u>131,716</u></u>
Total assets	6,780	211,026	26,067	1,813	245,686
Total liabilities	–	–	–	–	51,196
Capital expenditure	–	–	–	–	6,677
Depreciation and amortization	–	–	–	–	8,229
Provision for inventory obsolescence	–	–	–	–	659
Other non-cash expenses	–	–	–	–	1,499

	NORTH AMERICA	ASIA PACIFIC	EUROPE	AUSTRALIA	GROUP
2019					
Turnover	7,814	28,434	32,729	–	68,977
Results	430	1,564	1,800	–	3,794
Financial expenses					(2,486)
Financial income					209
Taxation					(351)
Net profit					1,166
Total assets	543	114,526	1,534	–	116,603
Total liabilities	–	–	–	–	52,013
Capital expenditure	–	–	–	–	1,596
Depreciation and amortization	–	–	–	–	5,752
Provision for inventory obsolescence	–	–	–	–	246
Other non-cash expenses	–	–	–	–	2,269

Business Segment	Turnover (US\$'000)			Profit Before Taxation and Non-controlling Interest (US\$'000)		
	Latest Year FY2020 Unaudited	Previous Year FY2019 Audited	% Change	Latest Year FY2020	Previous Year FY2019	% Change
	Manufacturing	357,817	52,903	576.4	122,411	1,301
Hospital Services	14,668	14,271	2.8	(1,360)	(52)	2,515.4
Distribution and Other(s)	27,842	1,803	1,444.2	14,039	268	5,138.4
Total	400,327	68,977	480.4	135,090	1,517	8,805.1

Distribution and other revenues include rental income amounting to US\$0.6 million in FY2020 and FY2019.

16. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the operating segments.

Not applicable.

17. A breakdown of sales as follows:

	Group		
	US\$'000		% Increase (Decrease)
	2020	2019	
Sales reported for first half year	162,609	33,155	390.5
Operating profit / loss after tax before deducting non-controlling interests reported for first half year	38,893	386	9,975.9
Sales reported for second half year	237,718	35,822	563.6
Operating profit / loss after tax before deducting non-controlling interests reported for second half year	92,823	780	11,800.4

18. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:

(a) Ordinary

The Company has proposed and declared cash dividends totaling US\$27.7 million in respect of FY2020 and nil in respect of FY2019. The total cash dividends declared in FY2020 comprises an interim dividend of US\$4.7 million which was paid on 25 September 2020 and a final dividend of US\$23.0 million.

The total dividend per share for FY2020 is US\$0.0503 per share, comprising the and the interim dividend of US\$0.0085 per share which was paid on 25 September 2020 and proposed final dividend of US\$0.0418 per ordinary share.

(b) Preference

None.

(c) Total

See (a) above.

19. Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704(10) in the format below. If there are no such persons, the issuer must make an appropriate negative statement.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Sherry Chen Su-Tien	65	Spouse of Mr. Clement Yang Ker-Cheng, Executive Chairman of the Company and mother of Mr. William Yang Weiyuan, Deputy Chairman and Chief Executive Officer of the Company and Ms. Wan Chien Yang, General Counsel of the Company and Non-Executive Director of Medtecs USA	Non-Executive Chairman of Medtecs (Taiwan) Corporation since 2 May 2018.	None.

		Corporation.		
Wan Chien Yang	40	Daughter of Mr. Clement Yang Ker-Cheng, Executive Chairman of the Company and Sherry Chen Su-Tien, Non-Executive Chairman of Medtecs (Taiwan) Corporation and sister of William Yang Weiyuan, Deputy Chairman and Chief Executive Officer of the Company.	General Counsel of the Company with effect from 1 March 2021 and Non-Executive Director of Medtecs USA Corporation since 19 October 2020.	None.

ON BEHALF OF THE BOARD

Clement Yang Ker-Cheng
Chairman
Date: 1 March 2021