

2024 ANNUAL REPORT



A Corporation listed on the Catalist Board of the Singapore Exchange Securities Trading Limited

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This document has not been examined or approved by the Exchange. The Exchange assumes no responsibility for the contents of this document including the correctness of any of the statements or opinions made or reports contained in this document.

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MEDTECS INTERNATIONAL CORPORATION LIMITED

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Corporate Profile

Medtecs International Corporation Limited (the "**Company**" or "**Medtecs**") is a leading supplier and distributor of personal protective equipment ("**PPE**") and provider of logistics services to healthcare institutions with over 30 years of experience in the manufacturing of PPE and workwear. The Company and its subsidiaries (collectively, the "**Group**") commenced operations in 1989 and has since established a strong presence in the United States, Europe and Asia Pacific. The Group has offices and facilities spanning across Asia including Singapore, Taiwan, the Philippines, the People's Republic of China ("**China**"), Cambodia and the United States of America. The Company was listed on the Singapore Dealing and Automated Quotation System (SESDAQ) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 6 October 1999 and transitioned to sponsor-supervised regime on Catalist with R & T Corporate Services Pte. Ltd. as its continuing sponsor on 26 February 2010. The Group's Taiwan Depository Receipts ("**TDRs**") have been listed on the Taiwan Stock Exchange since 13 December 2002.



The Group's main lines of business include manufacturing, trading and distribution, and providing integrated hospital services. As a manufacturer of a wide range of PPE, workwear apparels and protective coverings for hospitals and manufacturing industries, the Group maintains diversified manufacturing facilities and production lines in the Philippines, Cambodia, Taiwan and China and the United States to reduce supply chain disruptions. For our trading and distribution business, the Group has logistics and warehousing centers in Canada, Europe, Japan and the United States and is working with Amazon, DHL and other e-commerce and logistics services providers to optimise our distribution efficiency. As a hospital services provider, the Group provides hospitals in Taiwan and the Philippines with integrated services which include rental and laundry of linens, management of laundry facilities, hospital automation, as well as procurement solutions for the hospital's PPE and medical devices needs. In Taiwan, the Group is currently the dominant total solutions provider for such hospital services, with a customer base of 20 hospitals.

The Group has also successfully expanded its hospital service in the Philippines, covering 29 hospitals.

The Group is dedicated to safeguarding the health and safety of people worldwide.



Medtecs (Taiwan) Corporation



Medtex Corporation



Hangzhou Jincheng
Medical Supplies Manufacture Co., Ltd.

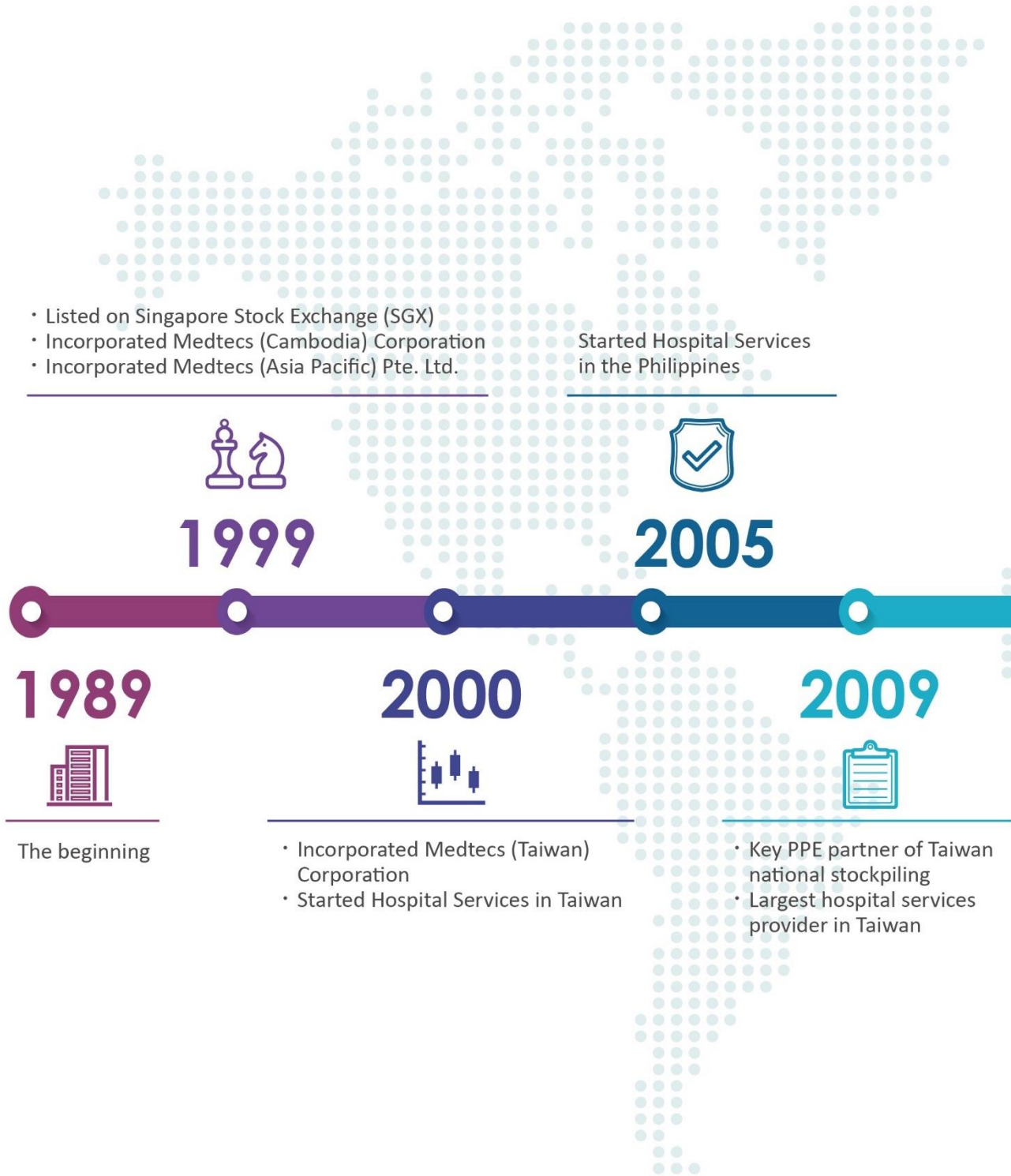


RMKH Glove (Cambodia) Co., Ltd.



Medtecs (Cambodia) Corporation Limited

Corporate Milestones



Largest hospital service provider in the Philippines



2013

- Commenced B2B e-commerce business
- Source and sell globally



2018

- Integrations
- Global Stockpiling Service
- Global Procurement Platform



2021

2015



Incorporated MMSEZ in Cambodia

2020



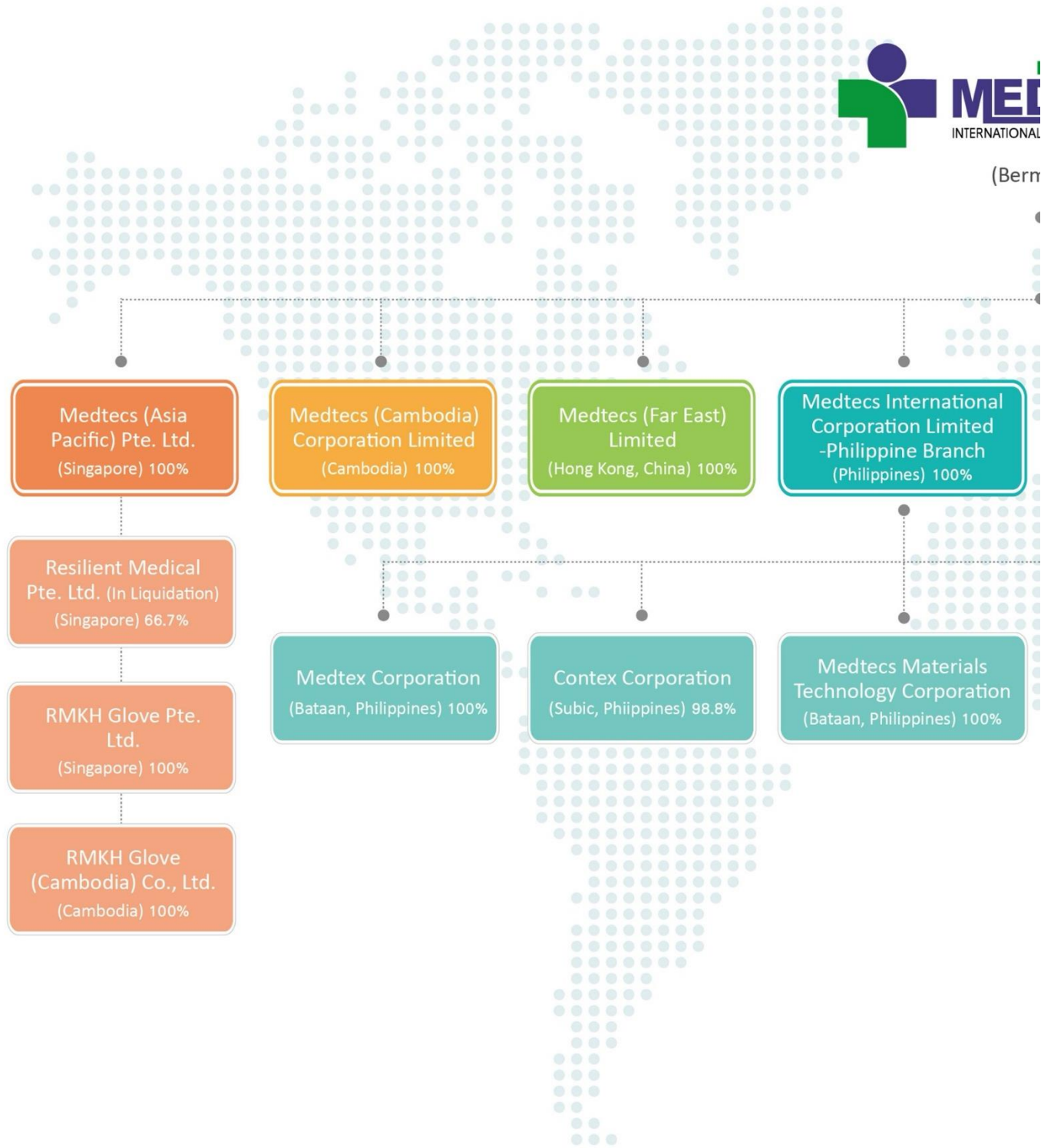
- One-stop shop for PPE
- Commence B2C e-commerce trading
- Expand online and offline sales and distribution network

2022-



- Production of disposal nitrile gloves in Cambodia through the joint venture between the Group's Singapore subsidiary and ACO International Limited
- Continue to build a Global Procurement Platform

Corporate Structure



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The Company and its subsidiaries as at 31 December 2024

Chairman's Message

Dear Shareholders,

On behalf of the Board of Medtecs, please accept my deepest appreciation and warmest greetings. Looking back on FY2024, it has been a year of challenges and transformation, but also a pivotal period that reshaped our future and laid a strong foundation for long-term competitiveness.

Financial Performance Overview

Despite market fluctuations and challenges, the Group's total revenue in FY2024 increased by 3.4% year-over-year reaching \$54.42 million. This growth was primarily driven by an increase in orders for the original equipment manufacturer ("OEM") business, which helped offset the decline in e-commerce sales in USA and Taiwan and a continued decline in demand for personal protective equipment ("PPE") (including facemasks) and lower stockpiling projects in the Philippines.

The Group recorded a net loss of \$23.95 million in FY2024, mainly due to the following:

- Underperformance of the nitrile glove factory
- Ongoing losses in the Philippines market
- Impairment of accounts receivable and inventory write-down

These factors reflect the challenges encountered during the transition process and reinforce the need for strategic adjustments.

Transformation and Realignment: Laying the Foundation for the Future

Over the past year, the "Medtecs Forward Strategy" was launched to drive structural optimization and operational upgrades, with three key areas:

1. Organizational Streamlining, Capital Restructuring & Strategic Realignment



We undertook a series of organizational adjustments to enhance operational efficiency and strengthen financial stability, including:

- Capital restructuring and liquidation of an indirect majority-owned subsidiary
- Asset restructuring and operational adjustments in the Philippines

2. Strengthening Core Business & Enhancing Data-Driven Operations

- Continued optimization of supply chain management
- Improved production and sales processes to enhance agility
- Integration of data analytics to support strategic decision-making
- Enhancement of overall operational efficiency

3. Advancing Technology and Accelerating Digital Transformation

The Group continued to integrate the 4A Strategy into its corporate framework:

- AI (Artificial Intelligence) for predictive analytics and automation
- API (Application Programming Interface) to enhance system integration
- Analytics for data driven decision-making
- Automation to improve operational efficiency

These initiatives have established a solid foundation for future growth. Moving forward, we will continue to accelerate our efforts to harness technology as a driver of growth.

2025 Outlook: Adaptive Strategies for Proactive Growth

Looking ahead to 2025, the Group will remain agile and proactive by adopting a strategic approach to drive growth through three key areas:

1. Expanding Market Opportunities and Strengthening Competitive Advantage

As geopolitical dynamics continue to evolve, we will:

- Expand into emerging markets to capture new opportunities
- Deepen partnerships with key customers to strengthen long-term collaboration
- Reinforce our position in global supply chains to sustain competitiveness
- Execute a diversified market expansion strategy

2. Optimizing Capital Structure and Enhancing Asset Efficiency

- Divesting non-core assets to enhance financial flexibility
- Reallocate capital into high-growth potential businesses, including:
 - Healthcare services (e.g., hospital logistics, sterilization management, and medical textile-related service offerings)
 - Smart manufacturing
 - New product development
- Improve capital utilization efficiency
- Strengthen the Group's financial flexibility

3. Expanding Healthcare Services to Build Stable Cash Flow

With global demographic shifts, an aging population, and rising healthcare demand, we will:

- Enhance hospital logistics services to improve operational efficiency
- Expand service coverage
- Proactively explore new business opportunities for alternative income streams, such as healthcare services
- Establish a stable and sustainable revenue stream

4. Strengthening Technological Innovation and Sustainability

To maintain competitiveness and align with global industry trends, we will:

- Advance the development of medical and healthcare products to provide comprehensive solutions and expand market share.
- Accelerate the adoption of AI-driven technologies, applying them to smart manufacturing, supply chain management, and healthcare analytics to enhance operational efficiency.
- In response to rising energy costs, build on our experience in renewable energy applications while advancing new energy technologies across our production sites to improve resource efficiency and create additional value.

Looking Ahead: From Transformation to Growth

The challenges and adjustments in FY2024 have laid a solid foundation for the Group's digital transformation and operational optimization. As these efforts continue to take effect, the Group anticipates a strong recovery in revenue and profitability in 2025.

The three core management principles continue to guide our strategy:

- Teamwork
- Accountability
- Solution-Oriented Approach

By driving AI-led digital transformation and enhancing operational efficiency, the Group remains committed to delivering sustainable value to shareholders.

Finally, sincere appreciation is extended to all shareholders for their continued trust and support. Together, we look forward to building the next chapter of the Group's success.

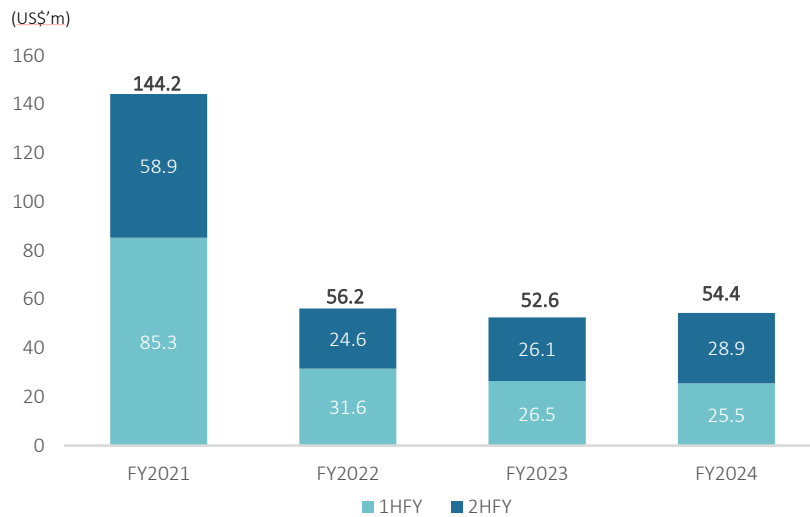


Clement, Yang Ker-Cheng
Chairman

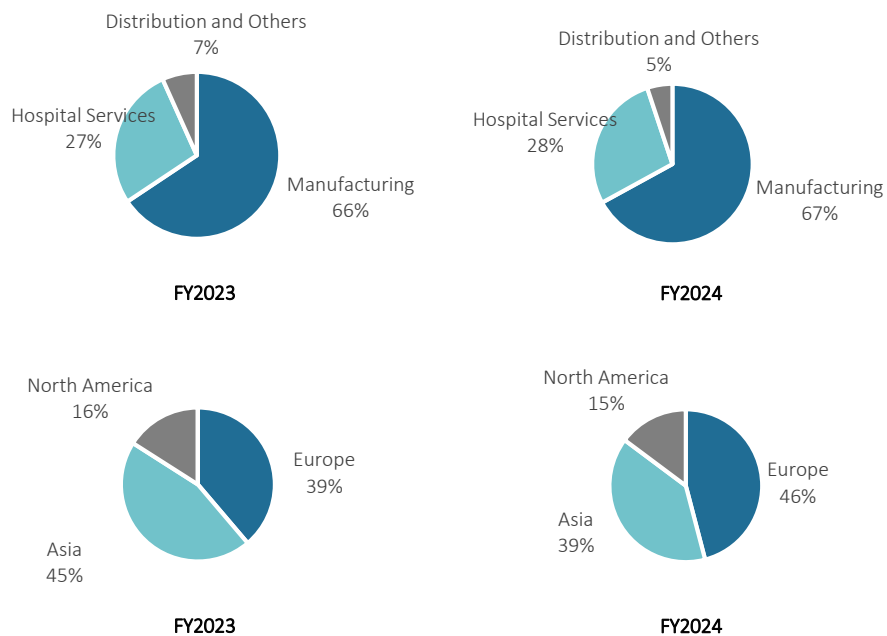
Financial Highlights

Revenues improved in FY2024 following improved orders from existing OEM customers

Historical Revenue

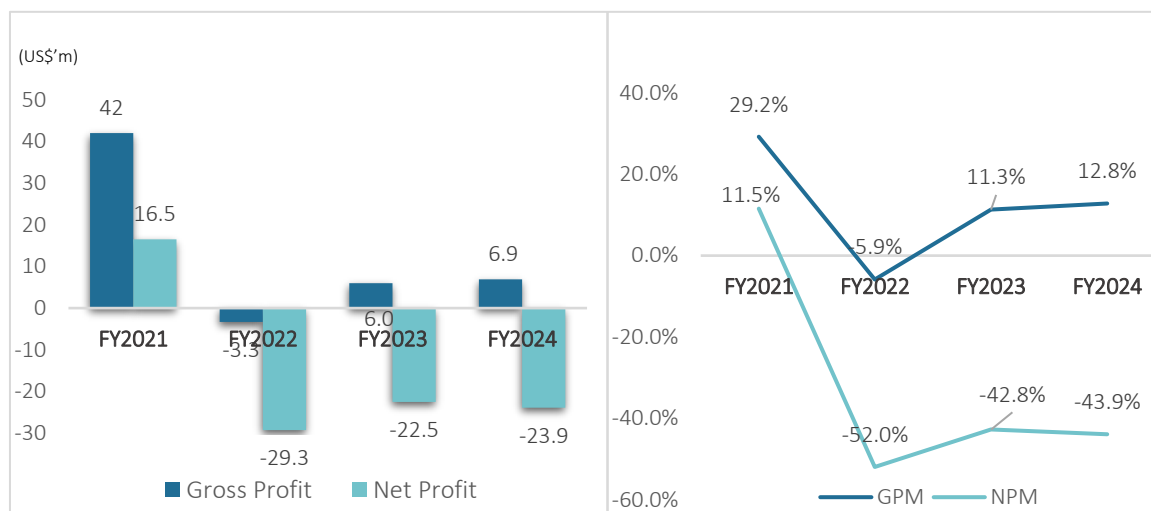


Revenue Breakdown by Business Segment and Geography



FY2024 noted improvements in gross profits and gross margins from recovery in OEM orders

Historical Profits and Margins



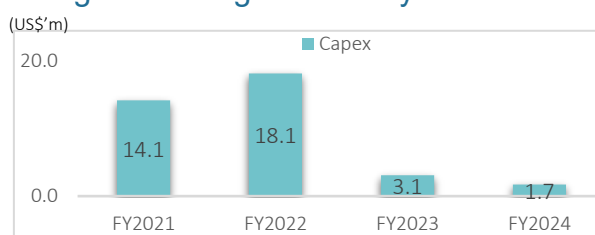
- Improvement in profit margins in FY2024 was due to the higher orders from existing OEM customers and higher hospital linen consumption.
- This was mitigated by lower e-commerce sales in USA and Taiwan with continued decline in demand of PPE and facemasks and lower stockpiling projects in Philippines.

Financial Position

Balance Sheet Highlights

(US\$m)	As at 31 Dec 24	As at 31 Dec 23
Cash and cash equivalents	27.3	33.0
Inventories	25.5	37.4
- Inventory days	196	292
Account Receivables	10.7	24.3
- AR days	72	169
Account Payables	2.4	2.0
- AP days	19	16
Key Ratios		
Debt / Equity (x)	0.2x	0.3x
Net Debt / Equity (x)	not material	not material

Capex level – Reduced spending after inauguration of glove factory



(US\$'000)	FY2024	FY2023
Cashflow from operating activities	2,343	(7,185)
Cashflow from investing activities	(2,725)	9,608
Cashflow from financing activities	(4,939)	1,840
Net cash flow	(5,321)	4,263

Financial Review

Business Overview

The Group's revenue increased by 3.4% to US\$54.4 million in FY2024 from US\$52.6 million in FY2023 due to continuing increase in orders from Regular OEM customers which had incremental sales of 27% to US\$28.2 million in FY2024 from US\$22.1 million in FY2023. This was mitigated by lower e-commerce sales in USA and Taiwan with continued decline in demand of PPE and facemasks and lower stockpiling projects in Philippines. Net loss increased by 6.5% to US\$23.9 million in FY2024 from US\$22.5 million in FY2023 due to higher provisions for inventory losses in FY2024 from slow-moving inventories in Philippines and write-down of PPE to net realizable values and higher provisions for expected credit losses on aging receivables.

Revenue

The Group revenues increased by 3.4% to US\$54.4 million and generated a net loss of US\$23.9 million on higher provisions for inventory losses from slow-moving inventories and from expected credit losses on receivables.

Revenue from the Original Product Manufacturing ("OPM") division increased by 5.6% to US\$36.5 million in FY2024 from US\$34.6 million in FY2023 due to improved orders from existing OEM customers of the Group, despite further decline in global demand for PPEs and facemasks. Revenues from Hospital Services division increased by 4.3% to US\$15.2 million in FY2024 from US\$14.5 million in FY2023 due to increased hospital linen consumption in Taiwan and Philippines and higher rates from renewal of contracts. Revenues from Trading, Distribution and others decreased by 21.6% to US\$2.8 million in FY2024 from US\$3.5 million in

FY2023 due to decline in e-commerce sales in Taiwan from lower demand for PPEs and facemasks.

Profitability

The Group's gross profit increased by 15.5% to US\$6.9 million in FY2024 from US\$6.0 million in FY2023 mainly due to higher orders from existing OEM customers and higher hospital linen consumption. Gross profit from the OPM division increased by 6.8% to US\$4.0 million in FY2024 from US\$3.7 million in FY2023 due to increase in orders from existing OEM customers in FY2024, despite decline in high-margined e-commerce sales.

Hospital Services division gross profit increased by 39.1% to US\$2.6 million in FY2024 from US\$1.9 million in FY2023 from higher linen rates from contract renewals in Taiwan and Philippines and better linen management.

Gross profit from Trading, Distribution and Others division decreased by 24.3% to US\$228,000 in FY2024 from US\$487,000 in FY2023 due also to lower sales.

Other operating income net increased significantly by 120.0% to US\$4.4 million in FY2024 from US\$2.0 million in FY2023 from recognition of gain on deconsolidation of Resilient Medical Pte. Ltd. (in liquidation) ("RMPL") and its subsidiaries of US\$2.2 million.

Distribution and selling expenses decreased by 22.8% to US\$5.9 million in FY2024 from US\$7.6 million in FY2023 due to decline in selling and platform fees from lower e-commerce sales in USA and Taiwan. General and administrative expenses increased by 26.4% to US\$29.5 million in FY2024 from US\$23.3 million in FY2023 from provisions for inventory losses amounting to US\$7.4 million, covering the slow-moving inventories and write-downs to their net realizable value of PPEs and provision for expected credit losses on trade

receivables amounting to US\$9.8 million and non-trade receivables from RMPL amounting to US\$2.3 million.

Financial expenses decreased by 2.7% to US\$794,000 in FY2024 from US\$816,000 in FY2023 due to lower bank borrowings.

Financial income increased by 11.7% to US\$1.5 million in FY2024 from US\$1.3 million in FY2023, from high interest income-earning fixed deposits and investment in bonds.

Income tax expenses increased significantly by 1,985.2% to US\$509,000 income tax expense in FY2024 from US\$27,000 income tax benefit in FY2023 arising from higher income before tax of some subsidiaries in the Group. Net loss increased slightly by 6.5% to US\$23.9 million in FY2024 from US\$22.5 million in FY2023 due to higher provision for inventory losses and expected credit losses on receivables recognized in FY2024.

Cash Flow and Statements of Financial Position

Total assets of the Group decreased by US\$28.8 million to US\$138.0 million in FY2024 from US\$166.8 million in FY2023 due to the impact of the

deconsolidation of RMPL and its subsidiaries from the Group following the commencement of liquidation proceedings (as announced on 3 December 2024, 27 December 2024, 17 January 2025, 24 January 2025, 27 February 2025 and 27 March 2025), resulting in decrease in inventories and property, plant and equipment of US\$4.30 million and US\$19.0 million, respectively, but also increasing the non-trade receivables by US\$24.8 million arising from the Group's receivables from RMPL. Aside from the impact on deconsolidation of RMPL and its subsidiaries from the Group, the Group also had higher net cash used from repayment of bank loans and recognized higher provisions for inventory losses and expected credit losses on receivables.

The Group generated cash from its operating activity of US\$2.3 million in FY2024 from US\$7.2 million cash used in FY2023, attributable to positive working capital changes for the period. Cash outflow from investing activities of US\$2.7 million came from purchases of new hospital linen investments and few capital expenditures, partially offset by collection of interest. Cash outflow from financing activities of US\$4.9 million came from higher repayment of loans and fewer loan availments, and payments of interest and lease liabilities.



Business Outlook and Prospects

Medtecs remains committed to enhancing operational efficiency and cost competitiveness by streamlining manufacturing facilities and improving agility in responding to market demands. The integration of advanced automation technologies—such as automated fabric inspection systems, flatbed cutters, and pocket stitching machines—has increased production efficiency by up to 300%.

At the same time, the growing trend of outsourcing in Asia presents a significant opportunity for our hospital services division. This shift enables us to expand our market presence and strengthen our service capabilities, positioning Medtecs for sustained growth in the healthcare sector.

Our core business remains resilient, supported by growing demand from our regular OEM customers and an expanding protective product portfolio. To stay competitive, we are leveraging AI to better understand customer needs and refine our products to offer more tailored solutions. By integrating AI-driven insights into our e-commerce strategies, we aim to ensure our products remain accessible and relevant across both business-to-business (“B2B”) and business-to-consumer (“B2C”) markets. To do this, we have implemented AI-powered recommendation engines to analyse user behaviour and transaction engines in order to provide personalized product suggestions to users across both business-to-business (“B2B”) and business-to-consumer (“B2C”) markets and improving our browser-to-buyer conversion. By integrating such AI-driven insights into our e-commerce strategies, we aim to ensure our products remain accessible and relevant across both B2B and B2C markets. For example, we use a dynamic pricing algorithm to monitor market trends and competitor pricing to adjust product prices so we can remain competitive while managing margins effectively.

Sustainability is a key focus for Medtecs. As demand for eco-friendly options grows, we are using data-

driven insights to develop more sustainable products while leveraging our manufacturing expertise to optimize cost efficiency and strengthen supplier partnerships. This approach has led to the introduction of biodegradable materials in PPE accessories, such as shoe covers and bouffant caps. Additionally, we have adopted eco-friendly packaging solutions, including HDPE plastic and paper-based materials tailored for European markets, further supporting global sustainability efforts.

Furthermore, we are integrating AI and automation to enhance efficiency and precision across the Group. Recognizing that AI adoption is not just about technology but also about people, we have developed a clear roadmap for workforce transformation. This includes active AI upskilling for all employees, fostering an innovation-driven culture, providing hands-on workshops for practical applications, and implementing our Artificial Intelligence Usage Policy to ensure ethical deployment. By embedding AI into our operations and workforce development, we are improving production consistency, reducing reliance on manual labor, and strengthening supply chain resilience.

To support our evolving business needs, we are developing a more agile and resilient supply chain. By optimizing logistics and reinforcing supplier partnerships, we aim to enhance responsiveness, mitigate risks, and ensure seamless operations—even in dynamic market conditions.

Medtecs remains focused on efficiency, innovation, and sustainability to drive long-term growth. By leveraging automation, AI, and eco-friendly solutions, we are strengthening our market position while enhancing operational resilience. Looking ahead, we will continue exploring opportunities in the renewable energy sector to align with global sustainability trends and emerging growth areas.

Manufacturing

Manufacturing remains the dominant segment in the Group in terms of revenue and profitability.

The Group is also entering strategic partnership and alliances with suppliers to enhance its supply chain management to ensure flexibility on changing demands in our product lines.

The Group will also leverage on the heightened awareness of our healthcare and safety products globally. We have also invested in branding and marketing initiatives to develop and promoted the “Medtecs” and “CoverU” brands for both facemasks and PPEs and will leverage on the brands. We have boosted our out presence on E-commerce sites like Amazon and retail chains to make our products more accessible globally.

We have tapped on the B2B and B2C business models to channel the growth in our operations and are working to expand our presence in more e-commerce platforms. We are working on having long-term PPE and facemask stockpiling

arrangement with governments and hospital groups to provide stability in demand and be the lead partner in abating infectious diseases globally.

Hospital Services

Our Hospital Services division provides us with a stable source of income. We are looking to strengthen our market presence and grow our market share in both Philippines and Taiwan with more hospitals outsourcing trend for non-core hospital operations over the region. We are also undertaking cost-reduction procedures to optimise margins in this segment.

Trading and Distribution and Others

Our trading and distribution business is critical to the Group not only as a stand-alone profit center but also provides auxiliary support to our other divisions. The Group aims to be one-stop total solutions healthcare provider and the heightened awareness on the healthcare industry has boosted this division.



Research and Development

In 2024, Medtecs remained dedicated to its vision: “To better the world’s health for everyone, everywhere.” We invested in research and innovation and focused on the development of safe and effective healthcare solutions to meet the diverse needs of global consumers. By expanding both domestic and international markets, we increased our brand reach while making steady progress in product development and packaging efficiency.

Expanding International Markets

Medtecs deepened its presence in global markets while upholding its core principles of safety and health. Through close collaboration with suppliers, we successfully developed hydrocolloid products that comply with international regulatory standards, including U.S. FDA and European CE certifications. These efforts reaffirm our commitment to protecting health and safety worldwide.

In addition, we achieved a breakthrough in packaging technology with the development of vacuum-sealed individual packaging. This innovation reduces packaging volume by 45%, enhances product safety and hygiene standards, improves transportation and storage efficiency, and lowers costs. Moreover, this advancement aligns with our commitment to environmental sustainability, reinforcing our dedication to responsible and efficient product development.

Strengthening the Domestic Market

In 2024, Medtecs expanded its personal protection and skincare portfolio with the launch of two flagship products:

Medtecs Mosquito Repellent Formulated with picaridin, a safe and effective ingredient, this product provides long-lasting mosquito protection while

remaining gentle and non-irritating. Suitable for both adults and children, it offers comprehensive protection for outdoor activities, travel, and everyday use.

OMO Acne Patch – Super Cure Building on the success of our existing acne patch, this upgraded version features an enhanced formula with a proprietary blend of active ingredients, offering gentle skincare and improved treatment effectiveness. This innovation provides consumers with a more comprehensive and effective acne care solution.

We remain committed to ensuring regulatory compliance, obtaining international product certifications, and expanding our global market presence to deliver high-quality healthcare solutions worldwide.

Future Outlook and Commitment

Looking ahead, Medtecs will continue to invest in research and innovation, developing a diversified product portfolio to provide comprehensive health and safety solutions. Our mission remains unchanged: to deliver safe and effective products with speed, warmth, and care. By closely monitoring market trends and listening to consumer needs, we will continuously enhance product quality and service excellence, reinforcing our commitment to improving global health and well-being.



Corporate Social Responsibility

At Medtecs, corporate success goes hand in hand with social responsibility. Our commitment to global health, community welfare, and environmental sustainability is reflected in the initiatives we carried out across Taiwan, the Philippines, and Cambodia in 2024.

Taiwan

This year we expanded our environmental efforts through more hands-on sustainability projects. On International Day of Forests, we joined a tree-planting event at Ming Chuan University and planted native Taiwanese oak trees to contribute to local biodiversity. We also organized a coastal cleanup at Nanya Rock in September to reinforce our shared responsibility for marine conservation.

Supporting vulnerable groups remained a priority, as we collaborated with multiple micro-scale social welfare organizations to provide essential resources. From sponsoring excursions for children in orphanages to donating medical supplies to charitable foundations, our goal was to extend tangible support to those in need. The year concluded with a meaningful partnership with

iGoods to fulfill the Christmas wishes of children from the Chung Hua Morning Light Program in Taitung.

In line with our continued support for public health, Medtecs strengthened its partnership with Taipei Medical University's Mountain Social Medical Service Team by expanding donations to include Penghu Medical and Social Service Team, the university's largest service program. These contributions equipped student volunteers with critical medical supplies as they provided healthcare services to underserved communities. In addition, we observed Breast Cancer Awareness Month by hosting a health seminar for the office employees and donated 550 boxes of medical masks to the Taiwan Breast Cancer Foundation.



Philippines

In January, Medtecs visited San Lorenzo Ruiz Home for the Elderly in Pasay City and donated essential items such as gloves, face masks, bedsheets, and tote bags. Beyond material support, employees engaged with the residents through organized activities to foster warmth and companionship for the elderly.

Demonstrating our commitment to disaster relief, Medtecs swiftly responded to the fire incident in Bacoor, Cavite, in September. Our employees united and delivered blankets in person to 147 affected families across 3 evacuation centers. This initiative underscored our ongoing pledge to stand with communities during times of crisis.

Our efforts to uplift underprivileged children were reflected in our December outreach at A Home for the Angels in Manila, a shelter for abandoned infants and young children. Medtecs employees personally prepared shoe bags filled with treats, food packs, and cozy blankets, bringing comfort to 17 children in their care. Additionally, our large-scale repurposed hospital linen donation initiative, executed between July and September, saw approximately 10,000 pieces of linens including bedsheets, pillowcases, towels, and laundry bags distributed through partnerships with NGOs, religious groups, and charities—demonstrating our commitment to sustainability and social welfare.



Cambodia

Supporting humanitarian efforts in Cambodia, Medtecs donated \$10,000 to the Kampong Cham Red Cross during World Red Cross and Red Crescent Day celebrations. The company also contributed 1,000 kg of rice to border troops, joining the Cambodian government's initiative to support military personnel and local communities. These actions reflect Medtecs' ongoing dedication to strengthening community ties and providing humanitarian assistance in the region.

To enhance its workplace safety program, Medtecs donated 300 reflective vests to the Kampong Cham Department of Labor. The donation ensured that traffic police across the province received necessary gear for better visibility and protection during their duties.

These contributions align with our broader mission of safeguarding lives through proactive engagement in community and workforce protection. With the company's broader mission to safeguard lives through active involvement in community and workforce protection.

In recognition of the cultural significance of Pchum Ben Day, Medtecs donated blankets and pillows to the district hall to support local communities during the observance. This initiative demonstrated our continued respect for local traditions and our commitment to enhancing community well-being during meaningful cultural events.



Medtecs' corporate social responsibility efforts in 2024 reflect a deep-rooted commitment to strengthening communities, protecting the environment, and advancing public health. As we move forward, we will continue to foster meaningful partnerships and drive impactful initiatives that create lasting, positive change across the regions where we operate. Further details about the impact of our sustainability efforts across all locations will be shared in our upcoming FY2024 sustainability report, to be published on or before 31 May 2025.

Corporate Directory

Board of Directors

Clement Yang Ker-Cheng
Chairman · Executive Director

William Yang Weiyuan
Deputy Chairman · Executive Director · Chief Executive Officer

Jessie Low Mui Choo
Lead Independent Director

Yuhong Zhao
Independent Director

Nieh Chien-Chung
Independent Director

Audit Committee

Jessie Low Mui Choo
Chairman

Yuhong Zhao
Member

Nieh Chien-Chung
Member

Remuneration Committee

Nieh Chien-Chung
Chairman

Jessie Low Mui Choo
Member

Yuhong Zhao
Member

Nominating Committee

Yuhong Zhao
Chairman

Jessie Low Mui Choo
Member

Nieh Chien-Chung
Member

Clement Yang Ker-Cheng
Member

William Yang Weiyuan
Member

Company Secretaries

Abdul Jabbar Bin Karam Din
Company Secretary

Codan Services Limited
Assistant Company Secretary

Share Transfer Agent

Boardroom Corporate & Advisory Services Pte. Ltd.
*1 Harbourfront Avenue
Keppel Bay Tower #14-07
Singapore 098632*

Sponsor

R & T Corporate Services Pte. Ltd.
*9 Straits View #06-07
Marina One West Tower
Singapore 018937*

Registered Professionals:
Evelyn Wee Kim Lin
Howard Cheam Heng Haw

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Auditor

Baker Tilly TFW LLP
(A Member Firm of Baker Tilly International Limited)
600 North Bridge Road
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Singapore 18878

Partner in Charge:
Ong Kian Guan
(From 30 October 2023)

Principal Bankers

Bank of Kaohsiung
No. 100, Sec. 2, Sichuan Rd.,
Banqiao Dist., New Taipei City 220, Taiwan

Far Eastern International Bank
27F, No.207, Sec.2, Dunhua S. Road,
Daan District, Taipei City 106, Taiwan

Land Bank of Taiwan
No.46, Guancian Rd., Zhongzheng District,
Taipei City 100, Taiwan

Taipei Fubon Bank
No. 169, Sec. 4, Ren'ai Road,
Daan District, Taipei City 106, Taiwan

First Commercial Bank
No.30, Sec. 1, Chongqing South Rd.,
Zhongzheng Dist., Taipei City 100, Taiwan

Investor Relations

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Profile of the Board of Directors

Mr Clement Yang Ker-Cheng

Chairman · Executive Director

Appointed as Director in 1997, and re-elected in 2024

Mr Clement Yang Ker-Cheng is the Chairman of the Company. He oversees the overall management, strategic planning, product development and marketing of the Group. He was the Chief Executive Officer of the Group's operations since 1990 until 2 May 2018 when Mr William Yang Weiyuan took over as the Company's Chief Executive Officer. Mr Clement Yang is a member of the Nominating Committee. Under his leadership, the Medtecs Group has grown into an integrated healthcare services provider and original product manufacturer of a wide range of medical consumables for large multinational healthcare distributors, pharmaceutical companies and hospital groups around the globe.

Prior to founding the Medtecs Group, Mr Clement Yang served as senior vice-president of the Fu-I Industrial Group of companies, and the Chief Executive Officer of Shentex Corporation. From 1986 to 1989, he was director of Taiwan Cotton Weavers Association. Mr Clement Yang was president of the Taiwanese Business Association of Subic Bay and now serves as Chairman of the Cambodia and Philippines committees of the Chinese-Philippine Business Council as well as the Founding Chairman of the Confederation of Philippine Manufacturers of PPE.

Mr Clement Yang has more than forty years of experience in the textile manufacturing industry, with majority of those years devoted to the development of medical consumables for the healthcare industry.

Mr William Yang Weiyuan

Deputy Chairman · Executive Director · Chief Executive Officer

Appointed as Director in 2013 and re-elected in 2023

Mr William Yang Weiyuan was appointed as an Executive Director on 2 September 2013. Mr William Yang was appointed as the Company's Chief Executive Officer, in place of Mr Clement Yang, on 2 May 2018 and was subsequently appointed as the Company's Deputy Chairman on 26 February 2021.

Mr William Yang graduated from New York Institute of Technology with a degree in Electrical and Computer Engineering in 2005. He is the General Manager of the Company's wholly-owned subsidiaries, namely Medtecs (Taiwan) Corporation since 1 July 2010 and Hangzhou Jincheng Medical Supplies Manufacture Co., Ltd. since 2008. As General Manager of two subsidiaries, he takes an active role in the marketing, production, human resources and finance departments.

Mr William Yang has over 15 years of experience in the textile industry, with majority of those years devoted to developments of medical textile products, PPE, and hospital service for the healthcare industry.

Dr Nieh Chien-Chung

Independent Director · Remuneration Committee Chairman

Appointed as Director in 2019 and subject to re-election in 2025

Dr Nieh Chien-Chung was appointed as an Independent Director of the Company and Chairman of the Remuneration Committee on 8 August 2019. He is a member of the Audit and Nominating Committees.

Dr Nieh is currently a professor at Tamkang University and National Taipei University. He was also formerly a professor at National Cheng-Chi University. Dr Nieh holds an MBA in Finance in Baruch College, New York, USA. He also holds an MSc in Industrial Engineering, an MA in Economics and a PhD in Economics from Rutgers University, New Jersey, USA.

Ms Jessie Low Mui Choo

Lead Independent Director · Audit Committee Chairman

Appointed as Director in 2024 and subject to re-election in 2025

Ms. Low has over 30 years of experience in accounting, auditing, business advisory, and corporate services. She began her career in 1990 as an Audit Assistant at Ernst & Young LLP (formerly Ernst & Young) before taking on the role of Assistant Accountant at Huan Long Court Chinese Restaurant Pte Ltd in 1994. In 1995, she joined Pan Malayan Holdings Limited as Head of Internal Audit.

In 1996, she founded EI-Shaddai Consultants, a business and system planning advisory firm. She later incorporated JK Corporate Services Pte Ltd in 2003 to continue offering corporate services. In 2005, she established Ark Assurance (formerly known as Jessie Karun & Associates) to provide audit and accounting services. Her Registered Public Accountant accreditation is under Ark Assurance. From 2014 to 2017, she was the Principal Partner at Ark Alliance LLP before assuming her current leadership role at Medinex.

Ms. Low holds a Master of Business Administration (MBA) from the University of Adelaide. She is a Fellow of the Institute of Singapore Chartered Accountants (ISCA), a Member of the Association of Chartered Certified Accountants (ACCA), an ASEAN Chartered Professional Accountant, and an Accredited Tax Practitioner (Income Tax & GST). In addition, she is an ISCA certified professional in sustainability reporting.

Ms Yuhong Zhao

Independent Director · Nominating Committee Chairman

Appointed as Director in 2024 and subject to re-election in 2025

Ms. Annie Zhao Yuhong has an extensive background in investment banking and private equity, with over 20 years of experience in capital markets, equity financing, and fund management. She has held senior leadership roles in global financial institutions and investment funds, overseeing strategic growth initiatives and capital market transactions.

Ms. Zhao was the Managing Partner at Bohai Harvest RST Equity, a private equity investment firm, from 2015 to 2022. Prior to that, she served as Co-Head of Equity Capital Markets at BOC International from 2010 to 2014 and as Managing Director at CLSA Asia Pacific Markets from 2009 to 2010. Her earlier experience

includes senior positions at Credit Suisse (Director), JPMorgan Securities (Executive Director), and HSBC Investment Banking and Markets (Vice President).

Ms. Zhao holds a Master of Business Administration (MBA) from York University (1995), a Master of Arts in Political Science from The University of Western Ontario (1992), and a Bachelor of Arts in English from Dalian University of Technology (1989).



Financial Calendar

FY ended 31 December 2024

Announcement of Full Year Results
27 February 2025

Annual General Meeting
30 April 2025

FY ending 31 December 2025

Announcement of Half Year Results
Middle of August 2025

Announcement of Full Year Results
By 1 March 2026

Report on Corporate Governance

Medtecs is committed to achieving and maintaining a high standard of corporate governance within the Group by embracing the tenets of good governance, including accountability, transparency and sustainability, which will engender investor confidence and achieve long-term sustainable business performance. Good corporate governance establishes and maintains an appropriate culture, values and ethical standards of conduct at all levels of the Company, which helps to enhance long-term shareholder value whilst taking into account the interests of other stakeholders.

The Company will also be publishing its FY2024 Sustainability Report as a standalone report on or before 31 May 2025, in line with the requirements on sustainability reporting prescribed by the SGX-ST.

This report describes the corporate governance framework and practices of the Company that were in place during FY2024 with specific reference made to the principles and provisions of the revised Code of Corporate Governance (the "**2018 Code**") issued in August 2018, which forms part of the continuing obligations of the Company under the listing rules of the SGX-ST.

This Report should be read as a whole, instead of being read separately under the different principles of the 2018 Code.

The Company has complied in all material aspects with the principles and provisions of the 2018 Code. When there are variations from the provisions under the 2018 Code, we have provided our explanations in relation to the Company's practices as to how our practices are consistent with the aim and philosophy of the principles in question, when appropriate.

(A) BOARD MATTERS

Board's Conduct of its Affairs

Principle 1: The company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Role of the Board of Directors (the "**Board**")

The Board has the dual role of setting strategic direction, and the company's approach to governance. This includes establishing the appropriate culture, values and ethical standards of conduct at all levels of the Company. The role of the Board is broader than that of providing oversight as a well-constituted Board would foster more complete discussions, leading to better decisions and enhanced business performance. The Board also sets the tone for the Group in respect of ethics, values and desired organisation culture, and ensure proper accountability within the Group. The Board is responsible for the overall corporate governance of the Company.

The Board assumes responsibility for stewardship of the Group and is primarily responsible for the protection and enhancement of long-term value and returns for the shareholders. Through the Board's supervision of the management of the business and affairs of the Group, the Board is able to set the appropriate and desired organisational culture and ensures proper accountability within the Company. The Board is also responsible

for providing corporate direction, monitoring managerial performance and reviewing financial results of the Group. In addition, the Board is directly responsible for decision making in respect of the following matters:

- a. approving business strategies including significant acquisition and disposal of subsidiaries or assets and liabilities;
- b. approving the annual budgets, major funding proposals, significant capital expenditures and investment and divestment proposals;
- c. approving the release of the Group's half year and full year financial results and interested person transactions;
- d. overseeing the processes for risk management, financial reporting and compliance, and evaluate the adequacy and effectiveness of internal controls, as may be recommended by the Audit Committee ("**AC**");
- e. reviewing the performance of management, approving nominations to the Board and the appointment of Key Management Personnel ("**KMP**"), as may be recommended by the Nominating Committee ("**NC**");
- f. reviewing and endorsing the framework of remuneration for the Board and KMP, as may be recommended by the Remuneration Committee ("**RC**");
- g. establishing corporate policies in keeping with good corporate governance and business practice; and
- h. considering sustainability issues, e.g. environmental, social and governance factors, as part of the strategic formulation.

The Board provides shareholders with a balanced and understandable assessment of the Group's performance, position and prospects on a half-yearly basis.

The Directors are fiduciaries who act objectively in the best interests of the Company and hold Management accountable for performance. The Directors are of the view that they have objectively discharged their duties and responsibilities at all times as fiduciaries in the interest of the Company for FY2024. Directors are entitled to request from Management and should be provided with additional information as needed to make informed decisions. The Directors further understand that they must avoid situations in which their own personal or business interests directly or indirectly conflict or potentially conflict with the interest of the Group. Where a Director has a conflict or potential conflict of interest in relation to any matter, he will immediately declare his interest at the meeting of the Directors or send a written notice to the Chairman and/or Company Secretary, setting out the details of his interest and the conflict and recuse himself from any discussions on the matter and abstain from participating in any Board decision.

Other matters which specifically require the full Board's decision are those involving, *inter alia*:

- conflict of interests for a substantial shareholder or a Director;
- material acquisitions and disposals of assets;
- corporate or financial restructuring and share issuances;
- dividends and other returns to shareholders;
- matters which require the Board's approval as specified under the Company's interested person transactions policy; and
- the appointment and removal of the Company Secretary.

The Board will oversee the Group's sustainability reporting framework by monitoring the environment, social and governance issues that impact the Group's sustainability of its business.

Board Committees

To assist the Board in the execution of its responsibilities, the Board has established Board committees, namely the AC, the NC and the RC (collectively, the "**Board Committees**"), each of which functions within clearly defined terms of reference and operating procedures which are reviewed on a regular basis. Each Board Committee is formed by clear written terms of reference, setting out the composition, duties, authority and accountabilities of each committee, which have also been detailed in this report on pages 33 to 49.

Board Meetings and Attendance

The Board meets on a quarterly basis and whenever necessary for the discharge of their duties. Dates of Board meetings are normally set by the Directors well in advance. Telephonic attendance and conference audio-visual communication at Board and Board Committee meetings are allowed under the Company's Bye-Laws. Decisions of the Board and Board Committees may also be obtained through circular resolutions. The Board, with the concurrence of the NC, is of the view that the Directors have actively participated in Board and Board Committee meetings, and that each Director has dedicated sufficient time and attention to the affairs of the Group for FY2024, regardless of their other directorships and/or principal commitments.

The number of meetings held by the Board and Board Committees and attendance thereat during the past financial year are as follows:

DIRECTORS	AGM		SGM		BOARD		AC		RC		NC	
	No. of Meetings	Attended	No. of Meetings	Attended	No. of Meetings	Attended	No. of Meetings	Attended	No. of Meetings	Attended	No. of Meetings	Attended
Mr Clement Yang Ker-Cheng	1	1	-	-	4	4	-	-	-	-	4	4
Mr William Yang Weiyuan	1	1	-	-	4	4	-	-	-	-	4	4
Mr Lim Tai Toon ^(a)	1	1	-	-	4	2	4	2	4	2	4	2
Ms Carol Yang Xiao-Qing ^(b)	1	1	-	-	4	2	4	1	4	2	4	2
Dr Nieh Chien-Chung	1	1	-	-	4	4	4	4	4	4	4	3
Ms Jessie Low Mui Choo ^(c)	1	0	-	-	4	2	4	2	4	2	4	2
Ms Yuhong Zhao ^(d)	1	0	-	-	4	2	4	2	4	2	4	2

(a) Mr Lim Tai Toon retired as the Lead Independent Director, the Chairman of AC, a member of the NC and RC after conclusion of the annual general meeting of the Company ("AGM") held on 30 April 2024.

(b) Ms Carol Yang Xiao-Qing retired as an Independent Director, the Chairman of NC, a member of the AC and RC after the conclusion of the AGM held on 30 April 2024.

(c) Ms Jessie Low Mui Choo was appointed as the Lead Independent Director, the Chairman of AC, a member of the NC and RC after the conclusion of the AGM held on 30 April 2024.

(d) Ms Yuhong Zhao was appointed as an Independent Director, the Chairman of NC, a member of the AC and RC after the conclusion of the AGM held on 30 April 2024.

Induction and Training of Directors

The Board will constantly examine its size and, with a view to determining the impact of its number upon effectiveness, decide on what it considers an appropriate size for the Board. The composition of the Board will be reviewed on an annual basis by the NC to ensure that the Board has the appropriate mix of expertise and experience.

The NC ensures that new Directors are aware of their duties and obligations and is tasked with deliberating whether a Director is able to and has been adequately carrying out his/her duties as a Director. At the time of their appointment, Directors are provided with formal letters setting out their duties and obligations. Newly appointed Directors will be interviewed by the Sponsor and be given briefings by the Executive Chairman and/or the Chief Executive Officer ("CEO") and/or Management of the Company on the business activities of the Group and its strategic directions and corporate governance practices.

The Board recognises that it is important that all Directors remain updated with the business and legal developments so as to be able to serve effectively on, and contribute to, the Board. All Directors have many years of corporate experience and are familiar with their duties and responsibilities as Directors (including their respective roles as executive and Independent Directors). In addition, the Directors understand the Group's business and are provided with opportunities to develop and maintain their skills and knowledge as Directors

at the expense of the Company, including visits to the Group's operational facilities and meetings with Management in order to gain a better understanding of the Group's business operations.

The Directors are provided with continuing briefings and updates in areas such as Directors' duties and responsibilities, corporate governance, changes in financial reporting standards and issues which have a direct impact on financial statements, so as to enable them to properly discharge their duties as Board or Board Committee members. The scope of such continuous briefings and updates includes overview of industry trends and developments, governance practices and developing trends, and changes in trends in governance practices and regulatory requirements pertaining to the business.

Mr Clement Yang Ker-Cheng, Mr William Yang Weiyuan and Dr Nieh Chien-Chung have undergone training on sustainability matters as prescribed by the SGX-ST, namely the Listed Entity Directors ("LED") - Environmental, Social and Governance Essentials (Core), conducted by the Singapore Institute of Directors, on 31 May 2022. Ms Jessie Low Mui Choo, who was appointed as the Lead Independent Director, Chairman of the AC, member of the RC and member of the NC on 30 April 2024, has prior experience as a director of a company listed on the SGX-ST and has also undergone the aforesaid training on sustainability matters on 7 August 2022. Ms Yuhong Zhao, who was appointed as an Independent Director, the Chairman of the NC, member of the AC and member of the RC on 30 April 2024, had attended core module LED 1 (Listed Entity Director Essentials) and elective module LED 7 (Nominating Committee Essentials) of the Listed Entity Directors Programme conducted by the Singapore Institute of Directors in July 2024.

Ms Zhao has confirmed her commitment to attend the remaining core modules, training on sustainability matters and elective modules of the LED Programme relevant to her appointment on the Board, namely LED 2 (Board Dynamics), LED 3 (Board Performance), LED 4 (Stakeholder Engagement), LED 5 (Audit Committee Essentials), LED 8 (Remuneration Committee Essentials) and LED 9 (Environmental, Social and Governance Essentials) as soon as practicable, and has registered for each of the aforesaid modules to be conducted by the Singapore Institute of Directors in July 2025.

The NC has considered the above circumstances and is of the view that Ms Zhao having yet to attend the remaining modules set out above does not impact Ms Zhao's performance or her ability to discharge her duties as a Director. The Company will make appropriate disclosures once Ms Zhao has attended all the remaining modules set out above.

[Access to Information](#)

To assist the Board in fulfilling its responsibilities, the Management provides the Board with a management report containing complete, adequate and timely information prior to Board meetings. The Management welcomes Directors to seek explanations or clarifications from and/or convene informal discussions with the Management on any aspect of the Group's operations or business. Necessary arrangements will be made for informal discussions or explanations as and when required.

All Directors have separate and independent access to the Management, the Company Secretary and external advisers (where necessary) at all times, at the Company's expense. The Company Secretary attends all Board meetings and ensures that Board procedures and all other rules and regulations applicable to the Company are complied with. The appointment and removal of the Company Secretary are subject to the Board's approval.

Changes to regulations are closely monitored by Management. For changes which have an important bearing on the Company or the Directors' disclosure obligations, the Directors are briefed during Board meetings.

The Directors and the chairmen of the respective committees, whether as a group or individually are able to seek independent professional advice as and when necessary, in furtherance of their duties at the Company's expense. The appointment of such professional advisor is subject to approval by the Board.

Board Composition and Balance

Principle 2: The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The Board consists of five (5) Directors, of whom three (3) are independent. The list of Directors is as follows:

Executive Directors

Mr Clement Yang Ker-Cheng (Chairman, Executive Director)

Mr William Yang Weiyuan (Deputy Chairman, Executive Director and CEO)

Independent Directors

Ms Jessie Low Mui Choo (Lead Independent Director)

Ms Yuhong Zhao (Independent Director)

Dr Nieh Chien-Chung (Independent Director)

The size and composition of the Board and the Board committees are reviewed from time to time by the NC to ensure that they are of an appropriate size and comprise Directors who as a group provide the appropriate balance and mix of skills, knowledge, experience and other aspects of diversity such as gender and age so as to foster effective discussions and decision making. The NC is of the view that the current Board size of five (5) Directors, of whom three (3) are Independent Directors, is appropriate and effective for the time being, taking into account the nature and scope of the Company's operations.

The current Board comprises persons with diverse expertise, skill and experience in various areas that are relevant to the Group's business and composition of the Board, which includes accounting, business and management, finance and risk management. The Board and NC are of the view that the current composition of the Board as a group possesses the core competencies necessary to meet the Company's requirements. The Directors' objective judgment on corporate affairs and their diverse range of experience and knowledge are invaluable to the Group and allows for the useful exchange of ideas and views.

The current Board's skill matrix is as follows:

Skills	Banking and finance	Accounting	Legal	Corporate Governance	Risk Management	Industry Knowledge	Entrepreneurship and Management	Investment	Shipping	Commerce	Strategic and Analytics	Corporate Restructuring
Number of Directors skilled	3 Directors	4 Directors	1 Director	3 Directors	3 Directors	2 Directors	3 Directors	3 Directors	2 Directors	4 Directors	3 Directors	3 Directors

While the Board is of the view that the present combination of skills, talents, experience and diversity of its directors serves the needs and plans of the Company, as detailed above, the Board acknowledges that improvements to Board diversity are an ongoing process and the Board is fully committed to continue to ensure that the Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company. Pursuant to provision 2.4 of the 2018 Code, the Company has adopted a [Board Diversity Policy](#) in 2020. Under the Company's Board

Diversity Policy, the NC will, in reviewing the Board's composition, rotation and retirement of Directors and succession planning, consider a number of aspects, including but not limited to gender, age, nationalities, ethnicity, cultural background, educational background, experience, skills, knowledge, independence and length of service. These differences will be considered in determining the optimum composition of the Board and when possible, should be balanced appropriately.

As at the end of FY2024, two (2) out of the five (5) Directors are female, representing 40% of the Board. This is in line with the Company's goal of achieving at least 40% female representation on the Board by FY2027, reflecting the Group's recognition of the importance of gender diversity in leadership positions and the value it brings in driving innovation and decision-making. The NC will continue to undertake the following initiatives to maintain and enhance diversity on the Board: -

- a. Reviewing of the Board Diversity Policy to ensure its effectiveness and recommending appropriate revisions to the Board, as appropriate.
- b. Reviewing of the Board appointment criteria to ensure inclusivity and unbiasedness, as appropriate. This includes examining the qualifications, experiences, and skills required for board positions to identify potential barriers to diverse representation.

By adhering to the Board Diversity Policy and actively working towards achieving the established targets, the Company is committed to creating a diverse and inclusive Board that reflects the broader stakeholder base and supports the Company's long-term success.

Independence of Directors

The NC reviews the independence of each Director on an annual basis based on the Listing Manual Section B: Rules of Catalist of the SGX-ST (the "**Rules of Catalist**") and the 2018 Code's definition of what constitutes an independent director. Each Director is required to declare their relationships with the Company, its related corporations, its substantial shareholders or its officers (if any) which may affect his/her independence through the completion and submission of a 'Confirmation of Independence' form. Such relationships include business relationships which the Director, his/her immediate family member, or an organisation in which the Director and/or his/her immediate family member is a director, substantial shareholder, partner (with 5% or more stake) or executive officer has with the Company or any of its related corporations and the Director's direct association with a substantial shareholder of the Company, in the current and immediate past financial year. The said form, which is drawn up based on the definitions and guidelines set forth in Principle 2 of the 2018 Code and the Guidebook for Audit Committees in Singapore (Third Edition) issued by the Monetary Authority of Singapore, the Accounting and Corporate Regulatory Authority and the Singapore Exchange in August 2018, requires each Director to assess whether he/she considers himself/herself independent despite not having any relationships identified in the 2018 Code.

The NC is of the view that the three (3) Independent Directors, representing more than half of the Board, are independent under Rule 406(3)(d) of the Rules of Catalist during FY2024, and that there has been a strong and independent element on the Board which is able to exercise objective judgment on corporate matters independently, in particular, from Management, and that no individual or small group of individuals has dominated the Board's decision-making process.

Ms Jessie Low Mui Choo is resident in Singapore and accordingly, the Company is in compliance with Rule 406(3)(c) of Catalist, which requires at least one (1) independent director who is resident in Singapore.

The Independent Directors (who are all non-executive in nature) participate actively in Board and Board Committees meetings. With their professional expertise, experience and knowledge, they provide constructive advice and guidance for effective discharge by the Board of its principal functions over the Group's strategies, businesses and other affairs. The Independent Directors also constructively challenge and aid the

development of directions on strategy as well as review the performance of the Management in achieving agreed goals and objectives. In addition, they also monitor the reporting of the Group's performance. To facilitate a more effective check on the Management, the Independent Directors meet and discuss on the Group's affairs without the presence of the Management where necessary, and the chairman of such meetings provides feedback to the Board and/or Chairman as appropriate.

Chairman and CEO

Principle 3: There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Group's Chairman is Mr Clement Yang Ker-Cheng, who was also the CEO of the Company until 2 May 2018, and who plays an instrumental role in developing the business of the Group and has also provided the Group with strong leadership vision.

As part of the Group's management succession plan, Mr William Yang Weiyuan, son of the Chairman, Mr. Clement Yang Ker-Cheng, was appointed as the CEO of the Company with effect from 2 May 2018 and subsequently as the Deputy Chairman on 26 February 2021 to comply with the requirement under Bye-Law 126 of the Company's Bye-Laws that a Deputy Chairman be appointed. Mr. William Yang Weiyuan is mainly responsible for the day-to-day operations of the Group.

Given the centrality of the Board to good corporate governance, it is fundamental that the Chairman sets the right tone. The Chairman, in consultation with Management, sets the agenda for Board meetings and ensures that meetings are held when necessary, and during such meetings encourages a full and frank exchange of views from all Directors so that debates benefit from the full diversity of views.

The CEO is responsible for the management of the overall business and development of the Group. The CEO together with senior Management execute plans which are in line with the strategic decisions and goals set out by the Board and ensures that the remaining Directors are kept updated and informed of the Group's business operations and financial position.

Both the Chairman and the CEO exercise control over the quality, quantity and timelines of information flow between the Board and the Management. They ensure that Board meetings are held when necessary and set the Board meeting agenda in consultation with the Directors. The Chairman and the CEO review the Board papers before they are presented to the Board, and they ensure that Board members are provided with complete, adequate and timely information. Management staff who prepared the papers, or who can provide additional insight into the matters to be discussed, are invited to present the papers or participate in Board meetings at the relevant time. The Chairman and the CEO are responsible for ensuring effective communication with shareholders and the Company's compliance with the 2018 Code.

To ensure an appropriate balance of power and authority, increased accountability and greater capacity of the Board for independent decision making, Ms Jessie Low Mui Choo was appointed as Lead Independent Director of the Company after the conclusion of the previous AGM on 30 April 2024. Shareholders with concerns may contact her directly, where contact through the normal channels via the Chairman, the CEO or the Chief Financial Officer ("**CFO**") has failed to provide satisfactory resolution, or when such contact is inappropriate. All the Independent Directors, including the Lead Independent Director, meet annually without the presence of other Executive and Non-Independent Directors to discuss matters of significance which are then reported to the Chairman and the CEO accordingly.

All Board committees are chaired by the Independent Directors. The Board is of the view that there are sufficient safeguards and checks to ensure that the process of decision making by the Board is independent and based on collective decisions without any individual or group of individuals exercising any considerable concentration of power or influence.

Board Membership

Principle 4: The Board has a formal and transparent process for the appointment and reappointment of directors, taking into account the need for progressive renewal of the Board.

The NC comprises the following five (5) members:

Ms Yuhong Zhao (Chairman)

Ms Jessie Low Mui Choo

Dr Nieh Chien-Chung

Mr Clement Yang Ker-Cheng

Mr William Yang Weiyuan

The existing NC comprises five (5) Directors, of which two (2) are Executive Directors and three (3) are Non-Executive Independent Directors. The Lead Independent Director is also a member of the NC. In addition, the NC is cognisant of and ensures that (i) each member of the NC abstains from voting on any resolutions if there is any conflict of interest and/or prior relationship (ii) rigorous interviews are conducted with incoming/re-appointed Directors to ensure they are aware of their obligations as a Director and/or and (iii) it progressively reviews the criteria for candidacy. In view of the above, the Board is of the view that there is a sufficiently formal and transparent process for the appointment and re-appointment of Directors.

The NC, which follows written terms of reference, is responsible for making recommendations to the Board on all Board appointments and re-appointments. The key terms of reference of the NC are as follows:

- to identify candidates and review all nominations for the appointment or re-appointment of members of the Board, the managing director of the Group, and to determine the selection criteria;
- to ensure that all Board appointees undergo an appropriate induction programme;
- to regularly review the Board structure, size and composition and make recommendations to the Board with regard to any adjustments that are deemed necessary;
- to identify gaps in the mix of skills, experience and other qualities required in an effective Board and to nominate or recommend suitable candidates to fill these gaps;
- to decide whether a Director is able to and has been adequately carrying out his duties as a Director of the Company, particularly where the Director has multiple board representations;
- to review the independence of each Director annually, having regard to the circumstances set forth in the 2018 Code;
- to decide how the Board's performance may be evaluated and propose objective performance criteria for the Board's approval; and to evaluate the effectiveness of the Board as a whole and assess the contribution by each individual Director, to the effectiveness of the Board.

For the financial year under review, the NC held four (4) meetings.

When deciding on the appointment of new Directors to the Board, the NC and the Board consider a variety of factors, including the core competencies, skills and experience that are required on the Board and Board Committees, the Board Diversity Policy, independence, conflicts of interest and time commitments.

The NC is responsible for the re-appointment of Directors. In its deliberations on the re-appointment of existing Directors, the NC takes into consideration the Directors' contribution and performance. The assessment parameters include attendance as well as the quality of intervention and special contribution.

Pursuant to Bye-Law 86 of the Company's Bye-Laws, one-third (1/3) of the Directors shall retire from office by rotation at each AGM and each Director shall retire at least once every three (3) years. In addition, Rule 720(4) of the Rules of Catalist which came into effect on 1 January 2019 requires that all directors must submit themselves for re-nomination and re-appointment at least once every three (3) years. A newly appointed Director is required by Bye-Law 85(2) of the Company's Bye-Laws to hold office until the following AGM of the Company and shall be eligible for re-election at that AGM.

In this respect, the NC has recommended that the following Directors, in pursuant of Rule 720(4) of the Rules of Catalist, Bye-Law 85(2) and Bye-Law 86 of the Company's Bye-Laws, who are retiring and/or up for re-election at the forthcoming AGM, be re-elected as Directors.

- Dr Nieh Chien-Chung
- Ms Jessie Low Mui Choo
- Ms Yuhong Zhao

Each member of the NC abstains from making any recommendations and/or participating in any deliberation of the NC and from voting on any resolution, in respect of the assessment of his own performance or re-nomination as a Director.

The NC is satisfied that sufficient time and attention are being given by the Directors to the affairs of the Company and Group, notwithstanding that some of the Directors have multiple board representations. The NC is of the view that it would not be necessary to put a maximum limit on the number of listed company board representations and other principal commitments of each Director. In its search and nomination process for new Directors, the NC has, at its disposal, search companies, personal contacts and recommendations, to cast its net as wide as possible for the right candidates.

Key information on the Directors is set out below:

Name of Director	Position	Date of first appointment as a Director	Date of last re-appointment as a Director	Present Directorships or chairmanships in other listed companies	Directorships or chairmanships held over the preceding three years in other listed companies	Other principal commitments	Due for re-appointment at the AGM
Mr Clement Yang Ker-Cheng	Chairman, Executive Director	19 November 1997	30 April 2024	None	None	<ul style="list-style-type: none"> • Universal Weavers Corporation • Contex Corporation • Medtex Corporation • Medtecs (Asia Pacific) Pte Ltd • Medtecs (Far East) Ltd • Medtecs (Taiwan) Corporation • Medtecs Materials Technology Corporation • Cooper Development Ltd • Medtecs (Cambodia) Corporation 	No
Mr William Yang Weiyuan	Deputy Chairman, Executive Director and CEO	2 September 2013	30 June 2023	None	None	<ul style="list-style-type: none"> • Medtecs (Taiwan) Corporation • Medtecs MSEZ Corp., Ltd • Cooper Development Ltd • Hangzhou Jincheng Medical Supplies Manufacture Co., Ltd • World Join International Ltd. 	No

Dr Nieh Chien-Chung	Independent Director	8 August 2019	29 April 2022	<ul style="list-style-type: none"> • Microtips Technology Inc. • FullTech Fiber Glass Corp. 	None	<ul style="list-style-type: none"> • GloLiv Asset Management Ltd • Tamkang University • National Taipei University 	Retirement by rotation (Bye-Law 86(1))
Ms Jessie Low Mui Choo	Lead Independent Director	30 April 2024	None	<ul style="list-style-type: none"> • Medinex Limited, Executive Director 	None	<ul style="list-style-type: none"> • Medinex Limited, Chief Executive Officer • Ark Assurance, Sole Proprietor • Ark Group Holdings Sdn Bhd, Non-Executive Director • JK Group Holdings Pte. Ltd., Non-Executive Director • JK Group Holdings Sdn Bhd, Non-Executive Director • JK Strategic Management Pte. Ltd., Non-Executive Director • MPM Investment Holdings Pte. Ltd., Non-Executive Director • Pavilion SQ Holdings Pte. Ltd., Non-Executive Director • Emmanuel Ventures Limited, Non-Executive Director 	Bye-Law 85(2)
Ms Yuhong Zhao	Independent Director	30 April 2024	None	None	None	None	Bye-Law 85(2)

Note:

The details of Directors' credentials including working experience, academic and professional qualifications, shareholding in the Company and its related corporations and directorships can be found in the Board of Directors and Directors' report sections of this annual report.

The information required under Rule 720(5) of the Rules of Catalist on Dr Nieh Chien-Chung, Ms Jessie Low Mui Choo and Ms Yuhong Zhao, who are retiring at the forthcoming AGM and are up for re-election, is set out below:

Name of person	Dr Nieh Chien-Chung	Ms Jessie Low Mui Choo	Ms Yuhong Zhao
Date of Appointment	8 August 2019	30 April 2024	30 April 2024
Date of last re-appointment (if applicable)	29 April 2022	None	None
Age	65 years old	57 years old	57 years old
Country of Principal Residence	Taiwan	Singapore	Hong Kong
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	After assessing Dr Nieh's contributions and performance, the NC has recommended that Dr Nieh Chien-Chung be re-elected as a Director of the Company.	After assessing Ms Jessie Low Mui Choo's contributions and performance, the NC has recommended that Ms Jessie Low Mui Choo be re-elected as a Director of the Company.	After assessing Ms Yuhong Zhao's contributions and performance, the NC has recommended that Ms Yuhong Zhao be re-elected as a Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive.	Non-Executive.	Non-Executive.

Name of person	Dr Nieh Chien-Chung	Ms Jessie Low Mui Choo	Ms Yuhong Zhao
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Chairman of RC, Member of AC and NC respectively.	Lead Independent Director, Chairman of AC, Member of RC and NC respectively.	Chairman of NC, Member of AC and RC respectively.
Professional Qualifications	Rutgers University (The State University of New Jersey) - PhD in Economics - MA in Economics - MS in Industrial Engineering and Civil Engineering Baruch College – The City University of New York - MBA in Finance National Taiwan University - MA in National Development National Central University (Taiwan) - BS in Civil Engineering	Master of Business Administration, University of Adelaide. Accredited Tax Practitioner (Income Tax & GST) Professional Singapore certified management consultant Registered Public Accountant Fellow of the Institute of Singapore Chartered Accountant (ISCA) Member of the Association of Chartered Certified Accountants (ACCA) ASEAN Chartered Professional Accountant	Bachelor of Arts (English), Dalian University of Technology, Dalian, China (1989) Master of Arts (Political Science), University of Western Ontario, London, Canada (1992) Master of Business Administration, York University, Toronto, Canada (1995)
Working experience and occupation(s) during the past 10 years	August 1996 to Present - Tamkang University, Professor August 2005 to Present - National Taipei University, Adjunct Professor August 2005 to July 2010 - National Cheng-Chi University, Adjunct Professor	1 June 2017 to Present - Medinex Limited, Executive Director and Chief Executive Officer December 2014 to May 2017 - Ark Alliance LLP - Principal Partner September 2005 to Present - Ark Assurance, Sole Practitioner	August 2010 to August 2014 - Co-Head of Equity Capital Markets at BOC International August 2014 to August 2015 - On sabbatical August 2015 to October 2022 - Managing Partner at Bohai Harvest RST Equity Investment Fund Management
Shareholding interest in the listed issuer and its subsidiaries	Nil	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* including Directorships#	<ul style="list-style-type: none"> GloLiv Asset Management Ltd Tamkang University, Professor National Taipei University, Professor 	<ul style="list-style-type: none"> Medinex Limited, Executive Director and Chief Executive Officer Ark Assurance, Sole Proprietor Ark Group Holdings Sdn Bhd, Non-Executive Director JK Group Holdings Pte. Ltd., Non-Executive Director JK Group Holdings Sdn Bhd, Non-Executive Director 	<ul style="list-style-type: none"> None

* "Principal Commitments" has the same meaning as defined in the 2018 Code.

These fields are not applicable for announcements of appointments pursuant to Listing Rule 704(8) (for the past 5 years)

Name of person	Dr Nieh Chien-Chung	Ms Jessie Low Mui Choo	Ms Yuhong Zhao
		<ul style="list-style-type: none"> • JK Strategic Management Pte. Ltd., Non-Executive Director • MPM Investment Holdings Pte. Ltd., Non-Executive Director • Pavilion SQ Holdings Pte. Ltd., Non-Executive Director • Emmanuel Ventures Limited, Non-Executive Director 	
<p>Disclose the following matters concerning an appointment of director, CEO, CFO, General Manager or other officer of equivalent rank.</p> <p>If the answer to any question is “yes”, full details must be given.</p> <p>(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?</p> <p>(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?</p> <p>(c) Whether there is any unsatisfied judgment against him?</p> <p>(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?</p> <p>(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>	<p>No</p> <p>No</p> <p>No</p> <p>No</p> <p>No</p>

Name of person	Dr Nieh Chien-Chung	Ms Jessie Low Mui Choo	Ms Yuhong Zhao
<p>futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?</p>			
<p>(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?</p>	No	No	No
<p>(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?</p>	No	No	No
<p>(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?</p>	No	No	No
<p>(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?</p>	No	No	No
<p>(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–</p>			
<p>(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or</p>	No	No	No
<p>(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or</p>	No	No	No
<p>(iii) any business trust which has been investigated for a breach</p>	No	No	No

Name of person	Dr Nieh Chien-Chung	Ms Jessie Low Mui Choo	Ms Yuhong Zhao
of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or			
(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	No	No	No
(k) Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

Disclosure applicable to the appointment of Director only.

Any prior experience as a director of an issuer listed on the Exchange?	Yes	Yes	Yes
If Yes, please provide details of prior experience.	Current Director of Medtecs International Limited	Independent Director of Medtecs International Corporation	Current Independent Director of Medtecs International Corporation Limited
If No, Please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.			
Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).	N.A.	N.A.	N.A.
		Current Executive Director of Medinex Limited	

Board Performance

Principle 5: The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its board committees and individual directors.

The NC reviews the criteria for evaluating the Board's performance and recommends to the Board a set of objective performance criteria and process for the evaluation of the effectiveness of the Board as a whole, each Board committee separately as well as the contribution by the Chairman and each individual Director to

the Board with a view to enhancing effectiveness to promote long-term shareholders' value. Based on the recommendations of the NC, the Board has established processes for evaluating the effectiveness of the Board as a whole and of each Board committee separately.

The performance criteria for the evaluation includes an evaluation of the size and composition of the Board and the respective Board committees, the Board/committee/Directors' access to information, accountability, Board/committee processes, Board/committee performance in relation to discharging its principal responsibilities, communication with Management and standards of conduct of the Directors thereto. The Chairman and the CEO would then act on the results of the performance evaluation, and where appropriate, propose new members to be appointed to the Board or seek the resignation of Directors, in consultation with the NC.

In the course of the year, the NC has assessed the performance of individual Directors by preparing a questionnaire to be completed by each Director, which were then collated and the findings were analyzed and discussed with a view to implementing certain recommendations to further enhance the effectiveness of the Board.

The Board, with the concurrence of the NC, is of the view that the performance of the Board as a whole is satisfactory, the Board Committees operate effectively and each Director is contributing to the overall effectiveness of the Board. No external facilitator was used in the evaluation process for the financial year under review.

(B) REMUNERATION MATTERS

Procedures for Developing Remuneration Policies

Principle 6: The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The RC reviews and makes recommendations to the Board on a framework of remuneration as well as specific remuneration packages for each Director and KMP to and considers all aspects of remuneration including but not limited to Directors' fees, salaries, allowances, bonuses, options, benefits-in-kind and termination terms, to ensure they are fair.

The RC comprises the following three (3) members, all of whom, including the RC Chairman are Independent Directors:

[Dr Nieh Chien-Chung \(Chairman\)](#)

[Ms Jessie Low Mui Choo](#)

[Ms Yuhong Zhao](#)

The members of the RC have many years of corporate experience. In addition, the RC has access to expert professional advice on remuneration matters as and when necessary.

The members of the RC carry out their duties in accordance with the terms of reference which include, amongst others, the following:

- to review Directors' fees to ensure that they are at sufficiently competitive levels;
- to assess the benefits of implementing a new share option scheme to incentivise and retain talent within the organization;

- to review and administer Medtecs Share Option Scheme for the Directors of the Company and employees of the Group, details which can be found in Directors' report in the annual report;
- to review and advise the Board on the terms of appointment and remuneration of its members, CEO, KMP of the Group and all managerial staff who are related to any of the Directors or the CEO;
- to review the terms of the employment arrangements with Management so as to develop consistent group wide employment practices subject to regional differences;
- to review the Group's obligations arising in the event of termination of the Executive Directors' and KMP's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous.
- to recommend to the Board in consultation with senior Management and the Chairman of the Board, any long-term incentive scheme; and
- to review and approve any proposals or recommendations relating to KMPs' remuneration.

For the financial year under review, the RC held four (4) meetings.

There being no specific necessity, the RC did not seek the service of an external remuneration consultant in FY2024.

Level and Mix of Remuneration

Principle 7: The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

The Company adopts a formal procedure for the fixing of the remuneration packages of individual Directors. No Director is involved in deciding his own remuneration. In setting remuneration packages, the Company takes into account pay and employment conditions within the same industry and in comparable companies, as well as the Group's relative performance and the performance of individual Directors.

The remuneration framework for the Company comprises the following components:

Fixed Remuneration

- Includes base salary, contractual bonuses, and allowances to provide competitive and stable compensation for employees based on their roles, responsibilities, and market benchmarks.

Performance-Related Remuneration

- Comprises variable bonuses that are tied to both the financial and operational performance of the Company as well as the individual's contributions.
- This ensures that executive pay aligns with company performance, encouraging accountability and value-driven decision-making.

Long-Term Incentives

- Includes share-based compensation under the Share Option Scheme, designed to align management interests with those of shareholders.
- This component promotes long-term value creation, talent retention, and a stronger commitment to sustainable business growth.

Each of the two (2) Executive Directors has signed a service contract and the compensation framework for the KMP and the Executive Directors comprises monthly salaries, annual bonuses and allowances. Each Executive Director's annual bonus is determined with reference to the performance and value creation taking into account the strategic objectives of the Company.

The Company's share option scheme ("Share Option Scheme") was approved by shareholders at the AGM convened on 30 April 2024. The Share Option Scheme is intended to provide long-term incentives for Directors and KMP in encouraging loyalty and dedication to the Group while driving its overall growth and financial

performance. It is designed to align management's interests with those of shareholders and promote long-term value creation by ensuring accountability for value-driven decision-making. It aligns the interests of management with those of shareholders and promotes long-term value creation by reinforcing accountability for performance-driven decisions. Beyond strengthening engagement, the Share Option Scheme also functions as a key retention mechanism by granting eligible participants a vested interest in the Group's future success. In a competitive industry landscape, the Share Option Scheme enhances the Group's ability to attract and retain top talent, and also helps cultivate a performance-focused culture by directly linking executive remuneration to shareholder value. The directors administering the Company's Share Option Scheme are the Executive Directors, namely Mr. Clement Yang Ker-Cheng and Mr. William Yang Weiyuan, and the Independent Directors, namely Dr. Nieh Chien-Chung, Ms. Jessie Low Mui Choo, and Ms. Yuhong Zhao.

In FY2024, no options were granted (a) to any participants, including Directors, Controlling Shareholders and their associates, (b) to directors and employees of the subsidiaries of the Company, or (c) at a discount to the market price of the shares of the Company, under the Share Option Scheme.

None of the service contracts of the Executive Directors and KMP have onerous removal clauses. Each of the Chairman's and the CEO's service contracts has a fixed appointment period.

Annual review of the remuneration of Executive Directors and KMP is also carried out by the RC to ensure that the remuneration of the Executive Directors and KMP is appropriate to attract, retain and motivate the directors to provide good stewardship of the Company and KMP to successfully manage the Company for the long term, and that such remuneration are commensurate with their performance and value-add to the Group, giving due regard to the financial and commercial health and business needs of the Group. The performance of the Chairman and the CEO (along with that of other KMP) is reviewed periodically by the RC.

The Independent Directors have service contracts with the Company and their terms are specified in the Bye-Laws. Independent Directors are paid a basic fee for serving as a Director and an additional fee for serving on any of the Board Committees. In determining the quantum of such fees, factors such as frequency of meetings, time spent and responsibilities of Directors are taken into account. Such fees are subject to the approval of the shareholders as a lump sum payment at the AGM. The Board is of the view that the remuneration of the Independent Directors for FY2024 is appropriate to the level of contribution based on the factors above.

Disclosure on Remuneration

Principle 8: The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

The breakdown of remuneration of the Directors, the top KMPs (who are not also Directors or the CEO) and employees who are immediate family members of a Director/CEO/a substantial shareholder of the Company is set out below:

Remuneration of Directors

Names of Directors	Based/fixed salary ⁽¹⁾ %	Variable or performance related income/bonus ⁽²⁾ %	Director's fee ⁽³⁾ %	Total %	Remuneration Bands (S\$)
Executive Directors					
Mr Clement Yang Ker-Cheng	99%	-	1%	100%	239,574
Mr William Yang Weiyuan	99%	-	1%	100%	202,587

Names of Directors	Based/fixed salary ⁽¹⁾ %	Variable or performance related income/bonus ⁽²⁾ %	Director's fee ⁽³⁾ %	Total %	Remuneration Bands (S\$)
Independent Directors					
Dr Nieh Chien-Chung	-	-	100%	100%	63,820
Ms Jessie Low Mui Choo ⁽⁴⁾	-	-	100%	100%	56,760
Ms Yuhong Zhao ⁽⁴⁾	-	-	100%	100%	42,838
Ms Carol Yang Xiao-Qing ⁽⁵⁾	-	-	100%	100%	20,982
Mr Lim Tai Toon ⁽⁵⁾	-	-	100%	100%	27,801

⁽¹⁾ Base salary includes contractual bonus.

⁽²⁾ Variable payment includes performance bonus and profit sharing.

⁽³⁾ Approved by shareholders of the Company as a lump sum of S\$284,000 at the AGM held on 30 April 2024.

⁽⁴⁾ The Director's fees payable are for the period commencing from their appointment on 30 April 2024 until 31 December 2024.

⁽⁵⁾ The Director's fees payable are for the period commencing from 1 January 2024 until their retirement on 30 April 2024.

Remuneration of Top Five Key Management Personnel who are not Directors or the CEO

Names of key management personnel (who are not Directors or the CEO)	Based/fixed salary ⁽¹⁾ %	Variable or performance related income/bonus ⁽²⁾ %	Total %	Remuneration Bands (S\$)
Mr James Lin Yi-Ching	100%	-	100%	Below 250,000
Mr Kao Vereak	100%	-	100%	Below 250,000
Mr Alex Chang	100%	-	100%	Below 250,000
Mr Shyr Mingjung	100%	-	100%	Below 250,000
Mr Duanmu Jianliang	100%	-	100%	Below 250,000

⁽¹⁾ Base salary includes contractual bonus.

⁽²⁾ Variable payment includes performance bonus and profit sharing.

The aggregate of total remuneration paid to the top five KMP (who are not Directors or the CEO) in FY2024 was S\$465,000.

The breakdown of the remuneration of immediate family member(s) of a Director or the CEO or a substantial shareholder of the Company in FY2024 in bands of S\$100,000 with a percentage breakdown of various components is as follows:

Names of key executives (who are not Directors)	Based/fixed salary ⁽¹⁾ %	Variable or performance related income/bonus ⁽²⁾ %	Total %	Remuneration Bands (S\$)
Ms Sherry Chen Su-Tien	100%	-	100%	100,000 – 200,000
Ms Wan Chien Yang	100%	-	100%	100,000 – 200,000

Save as disclosed above, there was no employee who is a substantial shareholder of the Company, or an immediate family member of a Director or the CEO, or a substantial shareholder of the Company and whose remuneration exceeded S\$100,000 during FY2024.

There are no termination, retirement and post-employment benefits that may be granted to Directors and KMP (who are not Directors or the CEO) that may be granted over and above what has been disclosed.

Approval of Shareholders

Directors' fees for FY2024 were approved by shareholders at the AGM held on 30 April 2024. The remuneration framework for Executive Directors and KMP has been approved by the RC and endorsed by the Board. The Board considers that the remuneration framework need not be approved by the shareholders.

(C) ACCOUNTABILITY AND AUDIT

Risk Management and Internal Controls

Principle 9: The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

The Board, with the assistance from the AC, is responsible for the overall governance of risk by ensuring that the Management maintains sound systems of risk management and internal controls to safeguard shareholders' interest and the Group's assets, and for determining the nature and extent of the significant risks which the Company is willing to take in achieving strategic objectives and value creation.

The AC is responsible for making the necessary recommendations to the Board such that an opinion regarding the adequacy and effectiveness of the risk management and internal control systems of the Group can be made by the Board in the annual report of the Company according to requirements in the Rules of Catalist and the 2018 Code.

On an annual basis, the Group's internal audit function prepares an audit plan taking into consideration risks identified and assessed from the risk management system. This risk-based audit plan is approved by the AC and audits are conducted to assess the adequacy and effectiveness of the Group's internal control systems in addressing financial, operational, compliance and information technology controls, and risk management system. In addition, material control weaknesses over financial reporting, if any, are highlighted by the external auditors in the course of the statutory audit.

All audit findings and recommendations made by the internal and external auditors are reported to the AC and significant findings are discussed at the AC meetings. The Group's internal audit function follows up on all recommendations to ensure timely remediation of audit issues and reports the status to the AC every quarter. The Board, led by the AC, having reviewed the adequacy of the Group's internal control systems, is satisfied that effective internal controls were put in place and supported by a sound internal audit process and is of the view that the Group's internal audit function is independent, effective and adequately resourced.

Assurance from the CEO and the CFO

The Board has received written assurance from the CEO, CFO and key personnel who are responsible regarding the adequacy and effectiveness of the Company's risk management and internal control systems that:

- a. the financial records of the Group have been properly maintained and the financial statements for FY2024 give a true and fair view of the Group's operations and finances; and
- b. the risk management and internal control systems in place within the Group are adequate and effective in addressing the material risks in the Group in its current business environment including material financial, operational, compliance and information technology risks.

Based on the reviews conducted by the Management and findings from both the internal and external auditors throughout the financial year, as well as the assurance from the CEO and the CFO, the Board with the concurrence of the AC, is of opinion that the Group's internal controls in addressing financial, operational,

compliance and information technology risks as well as the Group's risk management system which the Group considers relevant and material to its operations were adequate and effective as at 31 December 2024.

The Board notes that the systems of internal controls and risk management provide reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledges that no systems of internal controls and risks management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgment in decision-making, human errors, losses, fraud or other irregularities.

Financial risks relating to the Group are set out in Note 31 to the Financial Statements of this annual report.

Audit Committee

Principle 10: The Board has an Audit Committee ("AC") which discharges its duties objectively.

The AC comprises the following three (3) members, all of whom are Independent Directors: -

Ms Jessie Low Mui Choo (Chairman)

Dr Nieh Chien-Chung

Ms Yuhong Zhao

All members of the AC have many years of experience in senior management primarily in the financial and/or industrial sectors. At least two members, namely Jessie Low Mui Choo and Yuhong Zhao have recent and relevant accounting or related financial management expertise or experience, and none of the members of the AC are former partners or directors of the Company's existing auditing firm or auditing corporation (a) within a period of two (2) years commencing on the date of their ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case, (b) for as long as they have any financial interest in the auditing firm or auditing corporation. The Board is of the view that the AC members, having recent and relevant accounting and related financial management expertise or experience, are appropriately qualified to discharge their responsibilities.

The primary reporting line of the internal audit function is to the AC, which also oversees the quality and integrity of the accounting, auditing, internal controls and financial practices of the Group as well as determines the appointment, termination and remuneration of the head of the internal audit function. The internal audit function has full access to the Company's documents, records, properties and personnel, including the AC.

The AC performs the following delegated functions in accordance with its terms of reference:

- reviewing the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- reviewing the half-yearly and annual financial statements and announcements and the auditors' report on the annual financial statements of the Group before they are presented to the Board, focusing on:
 - significant changes in accounting policies and issues which have a direct impact on financial statements and presentation of the financial statements;
 - compliance with accounting standards, legal and the SGX-ST requirements;
 - management judgments and estimates that may have a material impact on the Group; and
 - findings of the external auditors, including significant audit adjustments and any other matters which the external auditors would like to bring to the attention of the AC;
- reviewing the audit plans and scope of audit examination of the external auditors;
- evaluating the cost effectiveness, independence and objectivity of external auditors;
- reviewing the adequacy of the internal audit function (including the internal accounting controls) and the scope and results of the internal audit procedures;
- ensuring the adequacy of the co-operation given by Management to the internal and external auditors;
- evaluating the adequacy and effectiveness of the internal control systems including financial, operational, compliance and information technology controls, and risk management of the Group by

reviewing written reports from the internal and external auditors, and the Management's responses and actions to correct any deficiencies;

- reviewing the assurance from the CEO and the CFO on the financial records and financial statements;
- reviewing interested person transactions in accordance with the requirements of the Rules of Catalyst;
- meeting with the internal and external auditors, other committees, and the Management to discuss any matters that these groups believe should be discussed privately with the AC;
- reviewing legal and regulatory matters that may have a material impact or a possible impropriety on the financial statements, related compliance policies and programmes and any reports received from regulators;
- reviewing the independence, effectiveness and adequacy of the internal audit function;
- reviewing the nature and extent of non-audit services provided by external auditors; reporting actions and minutes of the AC to the Board of Directors with such recommendations as the AC considers appropriate;
- making recommendations to the Board on: (i) the proposals to the shareholders on the appointment and removal of external auditors; and (ii) the remuneration and terms of engagement of the external auditors;
- reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on. The Company publicly discloses, and clearly communicates to employees, the existence of a whistle-blowing policy and procedures for raising such concerns; and
- considering other matters as requested by the Board.

The Company has in place a [whistle-blowing policy](#) which sets out the procedures for employees of the Group to, in confidence, make a report to the Company on misconduct or wrongdoing relating to the Company and its officers. A whistle-blower may report his or her concerns to his or her immediate supervisor, the HR Supervisor or HR Manager or confidentially to the Company's AC through a designated email address. If the whistle-blower is not comfortable about writing in, he or she can telephone or meet the appropriate officer in confidence at a time and location to be determined together. Depending on the nature of the concern raised or information provided, the investigation conducted may involve, in order of succession, the HR Department, the Country Manager, the Executive Committee, the AC and the external or internal auditors. The investigating officer(s) will communicate the findings of the investigation(s) to the Chairman or the AC for their necessary action. The Company ensures that the identity of the whistle-blower is kept confidential (unless the whistle-blower chooses to identify himself or herself) and all concerns raised and communications made by the whistleblower are considered highly confidential.

The Company is committed to ensuring protection of the whistle-blower against detrimental or unfair treatment. If an employee raises a genuine concern under the whistle-blowing policy, he or she will not be at risk of losing his or her job or suffering from retribution or harassment as a result. If the concern raised is not confirmed by the investigation, no action will be taken against the employee provided that he or she acts in good faith. The AC is responsible for overseeing the implementation of the whistle-blowing policy and its terms of reference include the oversight and monitoring of whistle-blowing.

The AC also monitors proposed changes in accounting policies, standards and issues which have a direct impact on financial statements and discusses the accounting implications of major transactions. In addition, the AC advises the Board on the adequacy and effectiveness of the Group's internal controls and risk management systems, and the contents and presentation of its reports.

The AC is authorised to investigate any matter within its terms of reference and has full access to the Management and also full discretion to invite any Executive Director or KMP to attend its meetings, as well as reasonable resources to enable it to discharge its function properly. The AC has also conducted a review of interested person transactions, details of which are set out in the Directors' Statement.

Each member of the AC shall abstain from voting on any resolutions in respect of matters he/she is interested in.

In the course of the financial year, the AC carried out independent reviews of the financial statements of the Group before announcements of the Group's half-year and full-year results were released. In the process, the AC considered the reasonableness of estimates, judgements and assumptions made and applied by Management and any significant matters which would have a material impact on the financial statements.

In its review of the financial statements for FY2024, the AC also reviewed together with Management, the following key audit matters ("**KAMs**") reported by the external auditor. The AC had concurred with Management on the methodologies, accounting treatments and estimates adopted, as well as the disclosures made in the financial statements, in respect of such KAMs raised. This should be read in conjunction with the Independent Auditor's Report for FY2024.

KAMs	How the KAMs were addressed by AC
Assessment of inventory valuation	<p>The AC considered and evaluated the judgement by management in establishing a basis of allocation of direct labour costs and factory overheads to the finished goods and work-in-progress. The AC also considered and evaluated the valuation technique applied by management, focusing on the key assumptions applied in estimating the amount of allowance required to write down inventories to net realisable value based on replacement costs and latest selling price.</p> <p>The AC considered the findings of the external auditor, including their assessment of the suitability of the valuation technique and key assumptions applied.</p> <p>The AC was satisfied with the inventory valuation process, appropriateness of the valuation technique applied and key assumptions applied for the inventory as disclosed in the financial statements.</p>
Allowance of expected credit losses (" ECL ") for trade receivables	<p>The AC considered and evaluated the ECL valuation technique applied by management, focusing on the assumptions applied to determine the loss rate for trade receivables by considering both quantitative and qualitative information that is reasonable and supportable, including credit profile and characteristics of trade receivables, and data and information used in determining the forward-looking adjustment.</p> <p>The AC considered the findings of the external auditor, including their assessment of the suitability of the valuation technique and key assumptions applied in the ECL impairment assessment for trade receivables.</p> <p>The AC was satisfied with the ECL impairment process, appropriateness of the valuation technique applied and key assumptions applied for the trade receivables as disclosed in the financial statements.</p>
Impairment assessment on property, plant and equipment and right-of-use assets	<p>The AC considered and evaluated the valuation technique applied by management, focusing on the key assumptions applied in the determination of the recoverable amount of these assets.</p>

The AC considered the findings of the external auditor, including their assessment of the suitability of the valuation methodology and underlying key assumptions applied in determining the recoverable amount of these assets.

The AC was satisfied with the impairment review process, the valuation methodology applied and the assessment that no impairment in property, plant and equipment was required.

At least annually, the AC meets with the internal auditors and the external auditors separately in the absence of the Management to review the adequacy of audit arrangements, with particular emphasis on the scope and quality of their audits, the independence and objectivity of the external auditors and the observations of the auditors.

The AC has reviewed the independence of the external auditor through discussion with the external auditor as well as by reviewing any non-audit services rendered by the Company's independent external auditor, as set out below and the nature and extent of such services which would prejudice the independence of the external auditor. The AC, having undertaken a review of all non-audit services rendered by the Company's external auditor for FY2024, is of the opinion that such non-audit services does not affect the independence of the external auditor and has recommended to the Board that the external auditor of the Company, Baker Tilly TFW LLP ("**Baker Tilly**"), be re-appointed for the ensuing year subject to shareholders' approval at the forthcoming AGM.

Fees paid/payable FY2024	(\$'000)	% of total
Audit fees - Baker Tilly	168.5	44
Audit fees - SyCip Gorres Velayo & Co.	178.0	47
Audit fees - Ernst & Young Taiwan	28.7	8
Non-audit fees - Baker Tilly (Agreed upon procedures)	3.7	1
Total	378.9	100

Fees (including fees for non-audit services) paid to the external auditors may be found in Note 9 of the financial statements of the annual report.

The AC and Board, having taken into consideration various factors, including the adequacy of the resources and experience of Baker Tilly, the audit engagement partner assigned to the audit, the number and experience of supervisory and professional staff to be assigned to the audit, and most importantly, the other audit engagements of Baker Tilly, which in the Board's view, align well with the Group's audit requirements, taking into consideration the size and complexity of the Group and the jurisdictions in which it operates, given that Baker Tilly has experience in the audit of mid-market companies with operations in Asian emerging economies, and is familiar with the intricacies of operating in such Asian emerging markets and able to effectively work with the local auditors to ensure a smooth audit process, are satisfied that the appointment of Baker Tilly meets

the audit requirements of the Group and will not compromise the standard and effectiveness of the audit of the Company and the Group.

The AC has accordingly recommended to the Board the re-appointment of Baker Tilly as the external auditors of the Company at the forthcoming AGM, subject to shareholders' approval.

The Company hereby confirms its compliance with the requirements under Rule 712 and Rule 715 of the Rules of Catalist. The Board and the AC are of the opinion that Baker Tilly fulfills the audit needs of the Group in accordance with Rule 712 of the Rules of Catalist. Furthermore, in alignment with Rule 715 of the Rules of Catalist, Baker Tilly has been appointed to audit all Singapore-incorporated subsidiaries to maintain the previous audit scope consistency.

(D) SHAREHOLDER RIGHTS AND ENGAGEMENT

Shareholder Rights and Conduct of General Meetings

Principle 11: The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Engagement with Shareholders

Principle 12: The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Engagement with Stakeholders

Principle 13: The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Shareholder rights and shareholder meetings

General meetings (including AGMs) are important forums for dialogue and interaction with shareholders. All shareholders are treated fairly and equitably by the Company and all shareholders will receive the notice of the general meeting and the accompanying documents in order to enable them to exercise their rights at the relevant meeting. All shareholders will be informed in the relevant notice or accompanying documents the rules governing voting at such meeting.

Further, the Company welcomes the views of the shareholders on matters concerning the Company and encourages shareholders' participation at the AGM, which is held in Singapore. The chairmen of the AC, NC and RC of the Company are present at the general meetings to answer questions from the shareholders. The external auditors are also present to assist the Directors in addressing any relevant queries by shareholders. All Board members had attended the Company's AGM last year, and had addressed the questions put forward by the shareholders at the AGM.

Under the Bye-Laws of the Company, shareholders can vote in person or by proxy through the appointment of not more than two (2) proxies to attend and vote on their behalf at general meetings of shareholders. There is no limit on the number of proxies that can be appointed by nominee companies. Voting and vote tabulation procedures used are disclosed before the general meetings proceed, with independent scrutineers appointed to validate the voting process and procedures. All shareholders are entitled to vote by poll in accordance with the Rules of Catalist, the Bye-Laws of the Company and established voting rules and procedures. In absentia voting at general meetings of shareholders by way of mail, facsimile or email is supported and made available.

Separate resolutions are proposed for substantially separate issues at the meeting, unless the issues are interdependent and linked so as to form one significant proposal, in which case the Company will explain the reasons for bundling the resolutions and disclose the material implications in the notice of the general meeting. Each item of special business included in the notice of the general meeting is accompanied, where appropriate, by an explanation for the proposed resolution. All resolutions are voted by poll, following which the detailed results showing, inter alia, the number of votes cast for and against each resolution and the respective percentages will be announced. An announcement of the detailed results is made immediately after the conclusion of the general meeting.

The Company Secretary, with the assistance of his representatives, prepares minutes of shareholders' meetings. These minutes are available to shareholders upon request, and such minutes which record substantial comments or queries from shareholders and responses from the Board and the Management are released via SGXNET and will be published on the Company's corporate website as soon as practicable after such meetings and in any case, within one (1) month from the date of the general meeting.

In line with the continuing disclosure obligations of the Company pursuant to the Rules of Catalist, the Board's policy is that all shareholders should be informed in a comprehensive manner and on a timely basis of all material developments that would be likely to materially affect the price or value of the Company's shares. The Board is of the view that the Company has been compliant with the continuing disclosure obligations under the Rules of Catalist in ensuring that price and/or trade sensitive information is publicly released on a timely basis, and financial results and annual reports are announced or issued within the period stipulated under the Rules of Catalist and applicable laws. All shareholders of the Company receive the annual report and notice of AGM. The notice of AGM is also advertised in the newspapers.

As disclosed in the unaudited results for FY2024, the Board is not recommending any dividend distribution to its shareholders for FY2024 to focus the Group's resources on working capital requirements and upcoming expansion projects. The Company is committed to achieving sustainable income and growth to enhance long-term shareholder return. The Company does not have a fixed policy on the declaration of dividends. The form, frequency and amount of future dividends declared will depend on earnings, general financial position, results of operation, capital requirements, cash flow, general business condition, or development plans and other factors as the Directors may, in their absolute discretion, deem appropriate.

Engagement with shareholders

The Company believes that a high standard of disclosure is key to raising the level of corporate governance. Apart from the SGXNET announcements released on the half and full year results and news releases and its annual report and minutes of its general meetings, the Company updates shareholders on its corporate developments and new initiatives through its corporate website at <http://www.medtecs.com>. The Company currently does not have an investor relations policy. However, the shareholders can contact the Company with questions via investor.relations@medtecs.com, which has been made available on the Company's corporate website.

The Company values dialogue sessions with its shareholders. The Company believes in regular, effective and fair communication with shareholders and is committed to hearing shareholders' views and addressing their concerns.

Engagement with stakeholders

The Company has identified material stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the success of the Group's business and operations. Such stakeholders include shareholders (including institutional and individual investors), customers, employees, government and policy-makers, local communities, suppliers, and financial institutions. The Company considers that addressing the feedback and needs of the material stakeholders is essential to the success of the Group's business as well as integral to achieving sustainable growth. For more on how the Company identifies material stakeholder groups, as well as the Company's strategy and key areas of focus in terms of stakeholder engagement, please refer to the Company's Sustainability Report for FY2024 which will be published on or before 31 May 2025. The Company engages its stakeholders through various channels to ensure that the best business interests of the Group are balanced against the needs and interests of its stakeholders.

The Group engages with their different stakeholders through their website at <http://www.medtecs.com> (which provides for various communication channels to the Company and its subsidiaries), at the Company's annual general meeting, through corporate publications and announcements, trade shows, charities and donations among others. A detailed explanation on this engagement process will be provided in the Sustainability Report to be published by the Company on or before 31 May 2025.

(E) MATERIAL CONTRACTS

There were no material contracts entered into by the Company or any of its subsidiaries involving the interests of the CEO, each of the Directors or controlling shareholders, which are either still subsisting at the end of FY2024 or if not subsisting, entered into since the end of the previous financial year ended 31 December 2023.

(F) DEALING IN SECURITIES

In line with the Rules of Catalist, the Company has adopted and implemented its own internal compliance code on dealing in securities. This has been made known to Directors, officers and staff of the Company and of the Group. In particular, it has been highlighted that it is an offence to deal in the Company's securities when the officers (Directors and employees) are in possession of unpublished material price sensitive information in relation to those securities. Dealings in the Company's securities are prohibited one month prior to the announcement of the Company's half year and full year results. The officers are also discouraged from dealing in the Company's securities based on short-term considerations. The Company provides window periods for dealing in the Company's securities and issues reminders that the law on insider trading is applicable at all times.

The Board confirms that for FY2024, the Company has complied with Rule 1204(19) of the Rules of Catalist on best practices on dealing in securities.

(G) CATALIST SPONSOR

The Company is currently under the SGX-ST Catalist sponsor-supervised regime. The continuing sponsor of the Company is R & T Corporate Services Pte. Ltd. (the "**Sponsor**"). There was no non-sponsor fee paid by the Company to the Sponsor during FY2024. The amount of fees paid to Rajah & Tann Singapore LLP, an affiliate of R & T Corporate Services Pte. Ltd., for work done in FY2024, was approximately S\$40,921.

(H) USE OF PLACEMENT PROCEEDS

The Company will make periodic announcements on the utilisation of the remaining US\$1.4 million, representing 35.9% of the net proceeds of US\$3.9 million from the private placement which was completed on 15 October 2015, as and when such remaining proceeds are materially disbursed pursuant to Rule 704(30).

List of Properties

DESCRIPTION	LOCATION	AREA (in sq m)	TENURE OF LEASE (yrs)
Land ⁽¹⁾	Srok Kampong Siam Kampong Cham Province, Cambodia	183,267	70 years
Factory Building	Srok Kampong Siam Kampong Cham Province, Cambodia	40,064	70 years
Land ⁽¹⁾	Manhattan Special Economic Zone, Corner Public Road, Thanh Village, Sangkat, Bavet City, Svay Reang Province, Kingdom of Cambodia	75,000	50 years
Factory Building	Manhattan Special Economic Zone, Corner Public Road, Thanh Village, Sangkat, Bavet City, Svay Reang Province, Kingdom of Cambodia	13,146	50 years
Office Space	Khan Toul Kork, Phnom Penh, Cambodia	606	3 years
Industrial Lot	7th Street, Phase II Mariveles Bataan, Philippines	17,856	25 years
Industrial Lot ⁽²⁾	SBMA, Olongapo City, Zambales, Philippines	13,124	24 years
Industrial Lot	7th Street, Phase II Mariveles Bataan, Philippines	2,756	50 years
Industrial Lot	7th Street, Phase II Mariveles Bataan, Philippines	4,248	50 years
Industrial Lot	7th Street, Phase I Mariveles Bataan, Philippines	2,980	5 years
Industrial Lot	7th Street, Phase II Mariveles Bataan, Philippines	5,000	50 years
Office Space	22F, The World Centre, 330 Sen. Gil J. Puyat Ave., Makati City, Philippines	742	3 years
Factory and Office Building	Qinghe Economic Park, GaoQing County, Zibo City, Shandong, China	2,880	3 years
Factory Building	202 Zhangshan Road, Renhe Town, Yuhang District, Hangzhou, China	19,417	20 years
Land ⁽¹⁾	202 Zhangshan Road, Renhe Town, Yuhang District, Hangzhou, China	15,333	50 years

(1) The land properties are all held for manufacturing purposes and are 100% owned by the Group.

(2) This property is held for investment purposes. The property has an aggregate value of US\$3.8 million as of 31 December 2024. The aggregated value of these properties do not represent more than 15% of the consolidated net tangible assets of the Group or contribute to more than 15% of the consolidated pre-tax operating profit of the Group. Further information related to the investment property is disclosed in Note 13 of the financial statements of this FY2024 annual report.

STATISTICS OF SHAREHOLDINGS

MEDTECS INTERNATIONAL CORPORATION LIMITED
AS AT 28 MARCH 2025

Number of shares issued: 549,411,240
 Class of shares: Ordinary shares
 Voting Rights: On a show of hands, 1 vote for each member
 On a poll, 1 vote for each ordinary share
 No. of treasury shares: 4,500,000
 Subsidiary holdings: Nil

Distributions of Shareholdings

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	14	0.20	620	0.00
100 - 1,000	494	7.04	300,282	0.05
1,001 - 10,000	3,839	54.73	15,314,692	2.81
10,001 - 1,000,000	2,643	37.68	172,558,962	31.67
1,000,001 AND ABOVE	25	0.35	356,736,684	65.47
TOTAL	7,015	100.00	544,911,240	100.00

Shareholdings of Directors based on the Register of Directors

AS AT 28 March 2025

	<u>Direct Interest</u>	<u>%</u>	<u>Deemed Interest</u>	<u>%</u>
Mr Clement Yang Ker-Cheng ^(a)	39,241,862	7.20	18,506,621	3.40
Mr William Yang Weiyuan ^(b)	-	-	3,000,000	0.55

Notes:

- (a) Mr Clement Yang Ker-Cheng is deemed to be interested in 18,506,621 shares held by South World Investment Ltd.
 (b) Mr William Yang Weiyuan is deemed to be interested in 3,000,000 shares acquired through his sub-brokerage account maintained with a Taiwan brokerage house.

Shareholdings of Substantial Shareholders based on the Register of Substantial Shareholders

AS AT 28 March 2025 (based on the Register of Substantial Shareholders)

	<u>Direct Interest</u>	<u>%</u>	<u>Deemed Interest</u>	<u>%</u>
Mr Clement Yang Ker-Cheng	39,241,862	7.20	18,506,621	3.40

Percentage of Shareholding held by the Public

As at 28 March 2025, approximately 88.85% of the total number of issued shares in the capital of the Company (excluding any treasury shares and subsidiary holdings and including shares listed as Taiwan Depository Receipts (“TDRs”)) are held in the hands of the public as defined in the Rules of Catalist. Accordingly, the Company has complied with Rule 723 of the Rules of Catalist.

TWENTY LARGEST SHAREHOLDERS

AS AT 28 MARCH 2025

NO.	NAME	NO. OF SHARES	%
1	CITIBANK NOMINEES SINGAPORE PTE LTD	210,131,350	38.56
2	YANG CLEMENT K C	39,241,862	7.20
3	SOUTH WORLD INVESTMENTS LIMITED	18,506,621	3.40
4	HSBC (SINGAPORE) NOMINEES PTE LTD	11,610,100	2.13
5	RAFFLES NOMINEES (PTE.) LIMITED	10,963,560	2.01
6	IFAST FINANCIAL PTE. LTD.	10,800,800	1.98
7	DBS NOMINEES (PRIVATE) LIMITED	9,471,700	1.74
8	PHILLIP SECURITIES PTE LTD	7,572,377	1.39
9	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	5,293,614	0.97
10	MAYBANK SECURITIES PTE. LTD.	4,411,900	0.81
11	MOOMOO FINANCIAL SINGAPORE PTE. LTD.	3,854,000	0.71
12	TIGER BROKERS (SINGAPORE) PTE. LTD.	3,790,100	0.70
13	OCBC SECURITIES PRIVATE LIMITED	3,049,800	0.56
14	TAN JIN SIANG	2,700,000	0.50
15	UOB KAY HIAN PRIVATE LIMITED	2,646,100	0.49
16	LIM & TAN SECURITIES PTE LTD	2,567,200	0.47
17	LI JIANGSHENG	2,205,200	0.40
18	OCBC NOMINEES SINGAPORE PRIVATE LIMITED	2,119,700	0.39
19	POON SENG KUN	1,510,000	0.28
20	LIM HUI MEI OR EDWIN GOMEZ	1,500,000	0.28
TOTAL		353,945,984	64.97

The Group's TDRs were listed on the Taiwan Stock Exchange on 13 December 2002. The number of TDRs issued at that time was 22,000,000.

In May 2004, an additional 4,382,875 TDRs were issued because of a stock split. In October 2009, an additional tranche of 100,000,000 TDRs was issued and traded on the Taiwan Stock Exchange.

As at 28 March 2025, the number of shares in the capital of the Company listed as TDRs is 205,531,500, representing approximately 37.72% of the total number of shares in the capital of the Company.

Interested Person Transactions

No general mandate has been obtained for interested person transactions pursuant to Rule 920(1) of the Rules of Catalist. The aggregate value of interested person transactions carried out during FY2024 are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Rules of Catalist) (S\$'000)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Rules of Catalist (excluding transactions less than \$100,000) (S\$'000)
Manhattan International Corp.	Mr Clement Yang Ker-Cheng, the Chairman and an Executive Director of the Company, is the chairman and sole director of the interested person	US\$'000	N.A.
- Utility and fuel consumption		497	
- Rent and maintenance fees		88	
- Raw materials and fixed assets		421	
- Others		60	

The amount at risk to the Company of US\$1,066,000 represented approximately 1.03% of the audited consolidated net tangible assets of the Group for the financial year ended 31 December 2024.

The AC and the Board have reviewed the interested person transactions above and are of the opinion that the transactions were carried out on normal commercial terms, and are not prejudicial to the interests of the Company and its minority shareholders.

Notice of Annual General Meeting

MEDTECS INTERNATIONAL CORPORATION LIMITED

(Incorporated in Bermuda)

NOTICE OF ANNUAL GENERAL MEETING

All capitalised terms used in the resolutions below shall, unless otherwise defined herein, have the respective meanings ascribed to them in the appendix (the "**Appendix**") to the Company's annual report for the financial year ended 31 December 2024 ("**Annual Report 2024**") dated 15 April 2025 in relation to the proposed renewal of the share purchase mandate.

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Medtecs International Corporation Limited (the "**Company**") will be held at 600 North Bridge Road, #05-01 Parkview Square, Singapore 188778 on Wednesday, 30 April 2025 at 2:00 p.m. (Singapore time) for the purpose of considering and, if thought fit, passing the following resolutions as Ordinary Resolutions:

AS ORDINARY BUSINESS

- To receive and adopt the Directors' Statement and the Audited Financial Statements of the Company for the financial year ended 31 December 2024 together with the Auditors' Report thereon. **(Resolution 1)**
- To re-elect Dr Nieh Chien-Chung, a Director of the Company retiring from office by rotation pursuant to Bye-Law 86 of the Company's Bye-Laws. **(Resolution 2)**
[See Explanatory Note (i)]
- To re-elect Ms Jessie Low Mui Choo as a Director of the Company pursuant to Bye-Law 85(2) of the Company's Bye-Laws. **(Resolution 3)**
[See Explanatory Note (ii)]
- To re-elect Ms Yuhong Zhao as a Director of the Company pursuant to Bye-Law 85(2) of the Company's Bye-Laws. **(Resolution 4)**
[See Explanatory Note (iii)]
- To approve the payment of Directors' fees of S\$284,000 for the financial year ending 31 December 2025, to be paid quarterly in arrears. (2024: S\$284,000) **(Resolution 5)**
- To re-appoint Baker Tilly TFW LLP as Auditor of the Company and to authorise the Directors of the Company to fix their remuneration. **(Resolution 6)**
- To transact any other ordinary business which may properly be transacted at an AGM.

AS SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without modifications:

SHARE ISSUE MANDATE

8. "That pursuant to Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**Catalist Rules**"), authority be and is hereby given to the Directors of the Company to:

- (i) allot and issue shares in the capital of the Company (whether by way of rights, bonus or otherwise (including shares as may be required to be issued pursuant to any Instrument (as defined below)) made or granted by the Directors while this Resolution is in force notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time of issue of such shares); and/or
- (ii) make or grant offers, agreements or options or otherwise issue convertible securities (collectively, "**Instruments**") that may or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,

at any time and from time to time upon such terms and conditions, whether for cash or otherwise, and for such purposes and to such persons as the Directors may think fit for the benefit of the Company, provided that:

- (a) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to such authority) does not exceed one hundred per cent. (100%) of the total number of issued shares excluding subsidiary holdings (as defined in the Catalist Rules) and treasury shares of the Company (as calculated in accordance with sub-paragraph (b) below), of which the aggregate number of shares to be offered other than on a pro-rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to such authority) does not exceed fifty per cent. (50%) of the total number of issued shares excluding subsidiary holdings (as defined in the Catalist Rules) and treasury shares of the Company (as calculated in accordance with sub-paragraph (b) below);
- (b) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (a) above, the percentage of the total number of issued shares excluding subsidiary holdings (as defined in the Catalist Rules) and treasury shares shall be calculated based on the total number of issued shares excluding treasury shares of the Company at the time of the passing of this Resolution, after adjusting for:
 - (i) new shares arising from the conversion or exercise of any convertible securities;
 - (ii) new shares arising from exercise of share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and
 - (iii) any subsequent bonus issue, consolidation or subdivision of shares;

provided that adjustments in accordance with sub-paragraphs (i) and (ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;

- (c) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Catalist Rules for the time being in force (unless such compliance has been waived by the Singapore Exchange Securities Trading Limited ("**SGX-ST**")) and the Bye-laws for the time being of the Company; and
- (d) unless revoked or varied by the Company in general meeting, the authority conferred by this Resolution shall continue in force until the conclusion of the next AGM or the date by which the next AGM is required by law or by the Bye-Laws of the Company to be held, whichever is the earlier, except that the Directors of the Company shall be

authorised to allot and issue shares pursuant to any Instrument made or granted by the Directors while this Resolution was in force notwithstanding that the authority conferred by this Resolution may have ceased to be in force at the time of issue of such shares."

[See Explanatory Note (iv)]

(Resolution 7)

PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

9. "That:

(a) for the purposes of the Companies Act 1981 of Bermuda ("**Bermuda Companies Act**") and otherwise in accordance with the rules and regulations of the SGX-ST, the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the "**Shares**") not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:

- (i) on-market purchases through the SGX-ST's trading system, or as the case may be, on any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose ("**Market Purchases**"); and/or
- (ii) off-market purchases in accordance with an equal access scheme as defined in Section 76C of the Companies Act 1967 of Singapore ("**Off-Market Purchases**"),

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate to purchase and/or acquire Shares may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

the date on which the next annual general meeting of the Company is held or required to be held (whereupon it will lapse, unless renewed at such AGM);

the date on which the authority conferred by the Share Purchase Mandate is revoked or varied by the Company at a general meeting (if so varied or revoked prior to the next AGM);

the date on which purchases and/or acquisitions of Shares by the Company pursuant to the Share Purchase Mandate are carried out to the full extent mandated; or

the date falling 12 months from the date of the AGM; and

the Directors of the Company be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this Resolution."

[See Explanatory Note (v)]

(Resolution 8)

In this Resolution:

"Average Closing Price" means:

in the case of a Market Purchase, the average of the Closing Market Prices (as defined below) of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company; or

in the case of an Off-Market Purchase, the average of the Closing Market Prices (as defined below) of a Share over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the

case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the making of the offer pursuant to the Off-Market Purchase,

and deemed to be adjusted, in accordance with the Catalist Rules, for any corporate action that occurs during such five (5) Market Day period and the day of the Market Purchase or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase;

"Closing Market Price" means the last dealt price for a Share transacted through the SGX-ST's trading system as shown in any publication of the SGX-ST or other sources;

"date of the making of the offer" means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating therein the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase;

"Market Day" means a day on which the SGX-ST is open for trading in securities;

"Maximum Percentage" means that number of issued Shares representing 10% of the issued Shares as at the date of the passing of this Resolution, unless the Company has, at any time during the Relevant Period, effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Bermuda Companies Act, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares as altered by the capital reduction. Any Shares which are held as treasury shares and any subsidiary holdings will be disregarded for purposes of computing the 10% limit;

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding related or ancillary expenses in respect of the purchase or acquisition such as brokerage, commission, applicable goods and services tax, stamp duties and clearance fees and other related expenses (where applicable)) to be paid for a Share will be determined by the Directors, provided that such purchase price must not exceed:

in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and

in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price of the Shares; and

"Relevant Period" means the period commencing from the date on which the last AGM was held and expiring on the date the next AGM is held or is required by law to be held, whichever is the earlier, after the date of this Resolution.

BY ORDER OF THE BOARD

Abdul Jabbar Bin Karam Din
Company Secretary

Singapore, 15 April 2025

Explanatory Notes:

- (i) Dr Nieh Chien-Chung, upon re-election as a Director of the Company, will remain as an Independent Director, the Chairman of the Remuneration Committee and a member of the Audit Committee and the Nominating Committee of the Company. The profile of Dr Nieh Chien-Chung can be found under the sections entitled "Board of Directors" and "Board Membership" in the report on Corporate Governance in the Annual Report 2024.
- (ii) Ms Jessie Low Mui Choo, upon re-election as a Director of the Company, will remain as an Independent Director, the Chairman of the Audit Committee and a member of the Nominating Committee and the Remuneration Committee of the Company. The profile of Ms Jessie Low Mui Choo can be found under the sections entitled "Board of Directors" and "Board Membership" in the report on Corporate Governance in the Annual Report 2024.
- (iii) Ms Yuhong Zhao, upon re-election as a Director of the Company, will remain as an Independent Director, the Chairman of the Nominating Committee and a member of the Audit Committee and the Remuneration Committee of the Company. The profile of Ms Yuhong Zhao can be found under the sections entitled "Board of Directors" and "Board Membership" in the report on Corporate Governance in the Annual Report 2024.
- (iv) Ordinary Resolution 7 proposed in item 8 above, if passed, is to authorise the Directors to allot and issue shares in the capital of the Company and/or Instruments (as defined above). The aggregate number of shares to be issued pursuant to Resolution 7 (including shares to be issued in pursuance of Instruments made or granted) shall not exceed one hundred per cent. (100%) of the total number of issued shares excluding subsidiary holdings (as defined in the Catalist Rules) and treasury shares of the Company, with a sub-limit of fifty per cent. (50%) for shares issued other than on a pro-rata basis (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) to shareholders. For the purpose of determining the aggregate number of shares that may be issued, the percentage of the total number of issued shares excluding subsidiary holdings (as defined in the Catalist Rules) and treasury shares of the Company will be calculated based on the total number of issued shares excluding subsidiary holdings (as defined in the Catalist Rules) and treasury shares of the Company at the time of the passing of Resolution 7, after adjusting for (i) new shares arising from the conversion or exercise of any convertible securities; (ii) new shares arising from exercise of share options or vesting of share awards provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (iii) any subsequent bonus issue, consolidation or subdivision of shares. The adjustments in accordance with (i) and (ii) above are only to be made in respect of new shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of Resolution 7.
- (v) Ordinary Resolution 8 proposed in item 9 above, if passed, is to renew the Share Purchase Mandate to enable the Company to purchase or acquire its issued shares. Shareholders had previously approved the renewal of the Share Purchase Mandate at the last AGM of the Company that was held on 30 April 2024. Please refer to the Appendix for more details.

Notes:

1. The AGM of the Company will be held in a wholly physical format at 600 North Bridge Road, #05-01 Parkview Square, Singapore 188778 on 30 April 2025 at 2.00 p.m.. **There will be no option for Shareholders to participate in the AGM virtually.**
2. Attendees must bring their original NRIC/Passport for verification and registration on the day of the AGM.
3. Documents and information relating to the AGM, including the (i) Annual Report 2024; (ii) this Notice of AGM; (iii) the Appendix; and (iv) the Proxy Forms are electronically available on the Company's website at the URL <https://www.medtecs.com/investor-relations/agm-and-sgm/> and on SGXNET at the URL <https://www.sgx.com/securities/company-announcements>.
4. Printed copies of the Annual Report 2024 and the Appendix will not be despatched to Shareholders, unless otherwise requested.

For Shareholders' convenience, printed copies of (a) this Notice of AGM, (b) the Proxy Forms and (c) a Request Form (to request for printed copies of the Annual Report 2024 and/or the Appendix) (the "**Request Form**") have been despatched to Shareholders.

5. For Shareholders to receive the physical copies of the Annual Report 2024 and/or the Appendix, please have the Request Form completed and returned to the office of the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632 **by no later than 22 April 2025**. Alternatively, the completed Request Form may be submitted electronically via email to medtecs@boardroomlimited.com **by no later than 22 April 2025**. Printed copies of the Annual Report 2024 and/or the Appendix will then be sent to the address specified by the Shareholder(s) at his/her/its own risk.

Questions and answers and minutes of the AGM

Shareholders and persons who hold Shares through a relevant intermediary (including SRS investors), or where applicable, their appointed proxy(ies) are strongly encouraged to submit to the Company questions related to the

resolutions to be tabled for approval at the AGM in advance of the AGM. In order to do so, their questions must be received by the Company **by no later than 5.00 p.m. (Singapore time) on 22 April 2025**, being at least seven (7) calendar days from the Notice of AGM. Such questions may be submitted in the following manner:

- (a) Shareholders (including SRS investors) may submit their questions electronically to the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. via email to medtecs@boardroomlimited.com or by post or by depositing it at the office of the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632;
- (b) persons who hold Shares through relevant intermediaries (other than SRS investors) may submit questions through their relevant intermediary, who in turn may submit a consolidated list of questions to the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., via email to medtecs@boardroomlimited.com; or
- (c) Shareholders and persons who hold Shares through a relevant intermediary (including SRS investors) who submit questions in advance of the AGM should provide the following information to the Company (or, in the case of persons who hold Shares through a relevant intermediary, their relevant intermediary) for verification purposes:
 - (i) the Shareholder's full name;
 - (ii) the Shareholder's address, contact number and email address; and
 - (iii) the manner in which the Shareholder holds Shares (e.g. if you hold Shares directly, please provide your NRIC/Passport No.; otherwise, please state if you hold your Shares through SRS, or through a relevant intermediary).

"**relevant intermediary**" means:

- (a) a banking corporation licensed under the Banking Act 1970 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds Shares in that capacity;
- (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act 2001 of Singapore, and who holds Shares in that capacity; or
- (c) the Central Provident Fund Board ("**CPF Board**") established by the Central Provident Fund Act 1953 of Singapore, in respect of Shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the CPF Board holds those Shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.

Shareholders attending the AGM may also ask questions at the AGM. The Company will endeavour to address all substantial and relevant questions (which are related to the resolution(s) to be tabled for approval at the AGM) submitted in advance of the AGM and received by no later than 5.00 p.m. (Singapore time) on 22 April 2025, being at least seven (7) calendar days from the Notice of AGM.

The Company will publish the responses to those questions which the Company will not be addressing during the AGM, on the Company's website and on SGXNET at least forty-eight (48) hours prior to the closing date and time for the lodgment of proxy forms. Should there be subsequent clarification sought, or follow up questions after the deadline for submission of questions, the Company will address those substantial and relevant questions during the AGM. Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed.

The Company will publish the minutes of the AGM within one (1) month after the AGM on the Company's website at <https://www.medtecs.com/investor-relations/agm-and-sgm/> and on SGXNET at <https://www.sgx.com/securities/company-announcements> and the minutes will include the responses to the substantial and relevant questions received from Shareholders which are addressed during the AGM.

6. Voting, or appointing proxy(ies) to vote, at the AGM

A Shareholder who is a natural person and entitled to attend, speak and vote at the AGM and hold two (2) or more shares is entitled to appoint not more than two (2) proxies to attend, speak and vote in his/her stead. A proxy need not be a Shareholder.

A Shareholder who is not a natural person and entitled to attend, speak and vote at the AGM is entitled to appoint more than two (2) proxies to attend, speak and vote in his/her stead.

Where a Shareholder appoints more than one (1) proxy, the appointments shall be invalid unless he/she specifies the proportion of his/her holding (expressed as a percentage of the whole) to be represented by each proxy.

A Shareholder who wishes to exercise his/her/its voting rights at the AGM may: (a) vote at the AGM in person or (b) appoint proxy(ies) to vote on his/her/its behalf at the AGM. A Shareholder who wishes to submit an instrument appointing proxy(ies) must complete the accompanying Proxy Form before submitting it in the manner set out below.

In the Proxy Form, a Shareholder should specifically direct the proxy on how he/she/it is to vote for, vote against, or abstain from voting on, each of the resolution(s) to be tabled at the AGM. All valid votes cast via proxy on each resolution will be counted. If no specific direction as to voting is given, the proxy (including the Chairman of the AGM) may vote or abstain from voting at his/her/its discretion.

A Shareholder who wishes to appoint a proxy/proxies to attend the AGM and vote on his/her/its behalf at the AGM, should complete the Shareholders' Proxy Form and submit the duly completed Shareholders' Proxy Form to the Company **by 2.00 p.m. on 28 April 2025**, being not less than forty-eight (48) hours before the time appointed for holding the AGM, through any one of the following manners:

- (a) if submitted by electronic communication, via email to the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at medtecs@boardroomlimited.com; or
- (b) if sent personally or by post, be lodged at the office of the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

A Depositor (who is not a natural person) whose name appears in the Depository Register and who wishes to attend and vote at the AGM, should complete the CDP Proxy Form and submit the duly completed CDP Proxy Form to the Company **by 2.00 p.m. on 28 April 2025**, being not less than forty-eight (48) hours before the time appointed for holding the AGM, through any one of the following manners:

- (a) if submitted by electronic communication, via email to the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd. at medtecs@boardroomlimited.com; or
- (b) if sent personally or by post, be lodged at the office of the Company's Share Transfer Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632.

In the case of Depositors whose names are not shown in the records of the Depository as at forty-eight (48) hours before the time appointed for holding the AGM as supplied by the Depository to the Company, the Company may reject such proxy form submitted to the Company.

A Depositor who is a natural person need not complete the CDP Proxy Form if he/she intends to attend in person.

Printed copies of the Proxy Forms have been despatched to Shareholders and the Proxy Forms may also be accessed at the Company's website at <https://www.medtecs.com/investor-relations/agm-and-sgm/> and on SGXNET at <https://www.sgx.com/securities/company-announcements>.

Completion and submission of the Proxy Form shall not preclude a Shareholder from attending, speaking and voting at the AGM. Any appointment of a proxy or proxies (including the Chairman of the AGM) shall be deemed to be revoked if a Shareholder attends the AGM, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the Proxy Form to the AGM.

Note: Please refer to the Notes to the Proxy Form for additional documentary requirements in the event the Proxy Form is signed by an attorney or duly authorised officer or executor(s) on behalf of a deceased individual's estate.

Personal data privacy:

By attending the AGM, submitting questions in advance of the AGM and/or submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a Depositor or a member of the Company (i) consents to the collection, use and disclosure of the Depositor's or the member's personal data, as contained in any communication from or on behalf of the Depositor or member in relation to the AGM (including but not limited to questions sent in advance of the AGM and proxy forms), by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes, questions submitted and the answers thereto for disclosure and publication before, at or after (as the case may be) the AGM and/or on SGXNET and the Company's website (including publication of the names of the Depositors/members/proxies/representatives asking questions) and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules including code of corporate governance, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that all information submitted is true and accurate, and where the Depositor or the member discloses the personal data of the Depositor's or the member's proxy(ies) and/or representative(s) and/or any other party to the Company (or its agents or service providers), the Depositor or the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the Depositor or the member will

indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Depositor's or the member's breach of warranty.

This document has been prepared by the Company and its contents have been reviewed by the Company's sponsor, R & T Corporate Services Pte. Ltd. ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**Exchange**").

This document has not been examined or approved by the Exchange. The Exchange assumes no responsibility for the contents of this document including the correctness of any of the statements or opinions made or reports contained in this document.

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

Financial Statements



Directors' Statement

The directors are pleased to present their statement to the members together with the audited consolidated financial statements of Medtecs International Corporation Limited (the “**Company**”) and its subsidiaries (the “**Group**”) and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2024.

In the opinion of the directors:

- (i) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 76 to 149 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2024 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended in accordance with the provisions of Singapore Financial Reporting Standards (International); and
- (ii) at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

Directors

The directors in office at the date of this statement are:

Mr Clement Yang Ker-Cheng (Chairman)
Mr William Yang Weiyuan (Deputy Chairman and CEO)
Ms Jessie Low Mui Choo
Ms Yuhong Zhao
Ms Nieh Chien-Chung

Pursuant to Rule 720(4) of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Rules of Catalist**”) and in accordance with Bye-Laws 85(2) and 86 of the Company's Bye-Laws, Nieh Chien-Chung, Jessie Low Mui Hoo and Yuhong Zhao are retiring by rotation and, being eligible, offer themselves for re-election.

Arrangement to enable directors to acquire benefits

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose object is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures of the Company or any other body corporate.

Directors' interest in shares or debentures

According to the register of directors' shareholdings, the following directors, who held office at the end of the financial year, had interests in the share of the Company and related corporations as stated below:

Name of directors	Direct interest			Deemed interest		
	At 1 January 2024	At 31 December 2024	At 21 January 2025	At 1 January 2024	At 31 December 2024	At 21 January 2025
<i>Ordinary shares of the Company at par value of US\$0.05 each</i>						
Mr Clement Yang Ker-Cheng	24,673,285	39,241,862	39,241,862	33,075,198	18,506,621	18,506,621
Mr William Yang Weiyuan	–	–	–	3,000,000	3,000,000	3,000,000

Medtecs International Corporation Limited and its subsidiaries

Directors' interest in shares or debentures (cont'd)

Clement Yang Ker-Cheng is deemed to be interested in 18,506,621 shares, held by South World Investment Ltd.

William Yang Weiyuan is deemed to be interested in 3,000,000 shares acquired through his sub-brokerage account maintained with a Taiwan brokerage house.

Except as disclosed in this report, no director who held office at the end of the financial year had interests in shares, share options, warrants or debentures of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Other information required by the SGX-ST

Save as disclosed in the section entitled "Interested Person Transactions" in this annual report, no material contracts to which the Company or any subsidiary is a party and which involve the interests of the CEO, each director or controlling shareholder, subsisted at the end of the financial year or have been entered into since the end of the previous financial year.

Directors' contractual benefits

Except as disclosed in the financial statements, since the end of the previous financial year, no director of the Company has received or become entitled to receive a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

Share options

The Company's Medtecs Share Option Scheme (the "Scheme") was approved by shareholders and implemented on 30 April 2024.

The committee in charge of administering the Scheme consists of:

Dr Nieh Chien-Chung (Chairman)
Ms Jessie Low Mui Choo
Ms Yuhong Zhao

As at the end of the financial year, no options to take up unissued shares of the Company or its subsidiaries were granted, and no shares were issued by virtue of the exercise of options or warrant to take up unissued shares of the Company or its subsidiaries.

Audit Committee

The Audit Committee (“**AC**”) carried out its functions, including the following:

- Reviews the audit plans of internal and external auditors of the Company and review the internal auditors’ evaluation of the adequacy of the Company’s system of internal accounting controls and the assistance given by the Company’s management to the external and internal auditors;
- Reviews the half yearly announcements and annual financial statements and the auditors’ report on the annual financial statements of the Group before submission to the Board of Directors (“BOD”);
- Reviews the adequacy and effectiveness of the Group’s material internal control systems, including financial, operational, compliance and information technology controls, and risk management via reviews carried out by the internal auditors;
- Meets with the external auditors, other committees and management in separate executive sessions to discuss any matters that these groups believe should be discussed privately with the AC;
- Reviews legal and regulatory matters that they have a material impact on the financial statements, related compliance policies and programmes and any report received from regulator;
- Reviews the independence, effectiveness and adequacy of the internal audit function;
- Reviews the cost effectiveness and the independence and objectivity of the external auditors;
- Reviews the nature and extent of non-audit services provided by the external auditors;
- Recommends to the Board of Directors the external auditors to be nominated, approves the compensation of the external auditors and reviews the scope and results of the audit;
- Reports actions and minutes of meetings of the AC to the BOD with such recommendations as the AC considers appropriate; and
- Reviews interested person transactions in accordance with the requirements of the Rules of Catalist.

The AC, having reviewed all non-audit services provided by the external auditors to the Group, is satisfied that the nature and extent of such services would not affect the independence of the external auditors. Fees (including fees for non-audit services) paid to external auditors may be found in Note 9 of the financial statements of the annual report. The AC has also conducted a review of interested person transactions.

The AC convened four meetings during the year. The AC has also met with internal and external auditors, without the presence of the Company’s management, at least once a year.

Further details regarding the AC are disclosed in the Report on Corporate Governance.

Independent auditor

The independent auditor, Baker Tilly TFW LLP, has expressed its willingness to accept re-appointment.

On behalf of the directors

Clement Yang Ker-Cheng
Director

William Yang Weiyuan
Director

Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEDTECS INTERNATIONAL CORPORATION LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Medtecs International Corporation Limited (the "Company") and its subsidiaries (the "Group") as set out on pages 76 to 149, which comprise the statements of financial position of the Group and the Company as at 31 December 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the financial year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the Singapore Financial Reporting Standards (International) ("**SFRS(I)**") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2024 and of the consolidated financial performance, consolidated changes in the equity and consolidated cash flows of the Group and changes in equity of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority ("**ACRA**") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("**ACRA Code**") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEDTECS INTERNATIONAL CORPORATION LIMITED (cont'd)

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Assessment of inventory valuation

The Group has \$25,544,000 of inventories as of 31 December 2024, representing 19% of its total assets. The Group records its inventories at the lower of cost and net realisable value. Cost of inventory is determined on a weighted-average method. Allowances for write down of inventory are provided to reduce the carrying amount of the inventories to their net realisable values. During the financial year, the Group had recognised inventory write down of \$7,356,000.

Management establishes a basis of allocation of direct labour and factory overheads to the finished goods and work-in-progress. Management also reviews the inventory ageing report to identify slow-moving inventories and estimates the amount of allowance based on latest replacement costs of raw materials and subsequent selling prices for inventories.

Significant judgment and estimates are involved in the allocations of direct labour and factory overheads and the assessment of inventory allowance which may have significant impact on the valuation of inventories. Hence, inventory valuation is identified as a key audit matter.

We have performed the following audit procedures, amongst others, in response to the above-mentioned key audit matter:

- Obtained an understanding of management's control on recording of purchases of raw materials, allocation of direct labour and production overheads to cost of inventories and management's assessment of allowance for write down of inventory;
- On a sample basis, we:
 - Verified purchases, direct labour and overhead costs incurred to suppliers' invoice and payroll records;
 - Tested mathematical accuracy of weighted-average costing for inventories and assessed the reasonableness of management's basis of allocating direct labour and factory overheads to the finished goods and work-in-progress;
 - Tested the integrity of the inventory reports for the assessment of allowance for write down of inventory;
- Corroborated management's assessment of allowance for write down of inventory considering factors such as type of inventory, latest replacement costs of raw materials and selling prices subsequent to the financial year;
- Observed and inquired management for any identified obsolete or slow-moving inventories during our stocktake observation; and
- Assessed the adequacy and appropriateness of the disclosures made in the financial statements.

The related disclosures on the allowance for inventory assessment are included in Note 2.7 and Note 19 to the financial statements. The key sources of estimation uncertainty in relation to allowance for inventory are disclosed in Note 3(iii) to the financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEDTECS INTERNATIONAL CORPORATION LIMITED (cont'd)

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Allowance of expected credit losses ("ECLs") for trade receivables

As of 31 December 2024, the Group has \$10,666,000 of trade receivables, which represents 8% of its total assets. During the financial year, the Group had recognised ECL allowance on trade receivables of \$9,817,000.

To determine the ECLs, Management considers both quantitative and qualitative information that is reasonable and supportable, including credit profile and characteristics of trade receivables. Estimation of the loss rate involves a higher degree of estimation, contributing to the complexity of the ECLs assessment. Significant judgement and estimations are required in the ECLs assessment, which may have significant impact on the valuation of trade receivables. Therefore, we have identified this as key audit matter.

We have performed the following audit procedures, amongst others, in response to the above-mentioned key audit matter:

- Obtained an understanding of the Group's credit policies and credit assessment procedures and the controls relating to the monitoring of trade receivables;
- Evaluated management's assumptions used in establishing the ECLs impairment model through analysis of receivables ageing, review of historical credit loss experiences and consideration of data and information used by management in determining the forward-looking adjustments based on current economic condition;
- Reviewed collectability of material and long aged trade receivables by way of obtaining evidence of receipts subsequent to the balance sheet date from the customers. For long overdue debts without subsequent collection, we discussed with management on their assessment of the ECLs for these debtors. Where applicable, we reviewed debtors' payment history, current and future conditions of the debtors' operations and expected settlement plans for the outstanding balances; and
- Reviewed the adequacy and appropriateness of disclosures made in the financial statements.

The related disclosures on the ECLs for trade receivables and credit risk management process are included in Note 2.6 and Note 20 to the financial statements. The key sources of estimation uncertainty in relation to ECLs for trade receivables are disclosed in Note 3(ii) to the financial statements.

Impairment assessment on property, plant and equipment and right-of-use ("ROU") assets

As at 31 December 2024, the carrying amount of the Group's property, plant and equipment and ROU assets amounted to \$18,376,000 and \$4,458,000 respectively, representing 13% and 3% of its total assets. The carrying amount of these assets are reviewed annually by management to assess whether there are indicators of impairment and if there are such indicators, an estimate is made for the recoverable amount of the assets concerned.

For cash-generating units ("CGUs") where there are indicators of impairment, management has prepared value-in-use and fair value less cost of disposal computations in assessing the recoverable amounts of the assets. This assessment required management to exercise significant estimation over the assumptions used in the preparation of the forecast and determination of fair values of the property, plant and equipment. The key assumptions and judgment adopted are the annual revenue growth rate, terminal growth rate, forecasted gross margins and discount rate and the determination of fair values less cost of disposal of the property, plant and equipment. Given the materiality of the property, plant and equipment and ROU assets, and significant estimation involved in assessing the recoverable amount of these assets, we have identified this as a key audit matter.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MEDTECS INTERNATIONAL CORPORATION LIMITED (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

Key Audit Matters (cont'd)

Impairment assessment on property, plant and equipment and right-of-use ("ROU") assets (cont'd)

We have performed the following audit procedures, amongst others, in response to the above-mentioned key audit matter:

- Reviewed management's assessment of indicators of impairment of property, plant and equipment and ROU assets and the methodology used by management to estimate value-in-use and fair value less costs of disposal when indicators are present;
- Assessed the objectivity, qualifications and competence of the external valuers;
- Considered the valuation methodologies used against those applied by valuers and when necessary, held further discussions with the valuers to understand their basis of valuation;
- Assessed market value adopted and reasonableness of adjustments made for the age and condition of the equipment and cost of disposal;
- Assessed the reasonableness of key assumptions such as annual revenue growth rate and forecasted gross margins used in the forecast by comparing to historical trend and the latest budgets and other available information;
- Involved our internal valuation specialists to assist us in assessing the reasonableness of the discount rate used in the forecast;
- Performed sensitivity analysis of the recoverable amounts to changes in the key assumptions taking into consideration the general economic outlook; and
- Reviewed the adequacy and appropriateness of disclosures made in the financial statements.

The related disclosure is included in Note 12 to the financial statements. The key sources of estimation uncertainty in relation to impairment of non-financial assets are disclosed in Note 3(i) to the financial statements.

Other Information

Management is responsible for other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MEDTECS INTERNATIONAL CORPORATION LIMITED (cont'd)

Report on the Audit of the Financial Statements (cont'd)

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- (i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
MEDTECS INTERNATIONAL CORPORATION LIMITED (cont'd)**

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the provisions of the Companies Act 1967 (the "Act") to be kept by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ong Kian Guan.

Baker Tilly TFW LLP
Public Accountants and
Chartered Accountants
Singapore

11 April 2025

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

MEDTECS INTERNATIONAL CORPORATION LIMITED AND ITS SUBSIDIARIES For the financial year ended 31 December 2024

		Group	
	Note	2024 US\$'000	2023 US\$'000
Revenue	4	54,423	52,639
Costs of sales and services		(47,541)	(46,682)
Gross profit		6,882	5,957
Other items of income			
Other income - net	5	4,371	1,987
Financial income	7	1,457	1,304
Other items of expense			
Distribution and selling expenses		(5,898)	(7,637)
Administrative expenses		(17,384)	(17,306)
Financial expenses	8	(794)	(816)
Allowance for expected credit losses on receivables		(12,074)	(6,004)
Loss before tax	9	(23,440)	(22,515)
Tax expense	10	(509)	27
Net loss for the year		(23,949)	(22,488)
Other comprehensive income:			
<i>Items that will be reclassified to profit or loss:</i>			
Foreign currency translation reserve		(659)	(115)
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurement gain/(loss) on retirement benefit obligation, net of tax		46	(39)
Unrealised gain on financial assets at fair value through other comprehensive income ("FAFVOCI")		–	635
Total comprehensive loss for the year, net of tax		(24,562)	(22,007)
Net loss attributable to:			
Equity holders of the Company		(22,422)	(21,066)
Non-controlling interests		(1,527)	(1,422)
Net loss for the year, net of tax		(23,949)	(22,488)
Total comprehensive loss attributable to:			
Equity holders of the Company		(23,035)	(20,585)
Non-controlling interests		(1,527)	(1,422)
Total comprehensive loss for the year, net of tax		(24,562)	(22,007)
Loss per share attributable to the equity holders of the Company (cents per share)	11		
- Basic and diluted		(4.115)	(3.866)

The accompanying notes form an integral part of these financial statements.

STATEMENTS OF FINANCIAL POSITION

MEDTECS INTERNATIONAL CORPORATION LIMITED AND ITS SUBSIDIARIES At 31 December 2024

	Note	Group		Company	
		2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
ASSETS					
Non-current assets					
Property, plant and equipment	12	18,325	40,566	50	121
Investment property	13	2,394	2,505	–	–
Assets held for leasing	14	3,667	3,915	–	–
Right-of-use assets	15	4,458	9,109	374	145
Net investment in sub-lease	15	4,710	–	4,710	4,621
Investment in subsidiaries	16	–	–	27,000	28,241
Intangible assets	17	3,116	3,363	–	–
Deferred tax assets	10	2,284	2,254	–	–
Trade receivables	20	–	4,265	–	4,265
Other non-current assets	18	745	4,995	79	79
		39,699	70,972	32,213	37,472
Current assets					
Inventories	19	25,544	37,359	390	345
Trade receivables	20	10,666	20,084	173	9,980
Other current assets	21	34,722	5,311	25,009	156
Due from subsidiaries, net	22	–	–	–	15,379
Cash, bank balances and fixed deposits	23	27,336	33,041	795	351
		98,268	95,795	26,367	26,211
Total assets		137,967	166,767	58,580	63,683
EQUITY AND LIABILITIES					
Current liabilities					
Trade payables and other current liabilities	24	6,200	5,974	609	703
Lease liabilities	15	633	801	149	21
Due to subsidiaries, net	22	–	–	13,361	–
Loans and borrowings	25	19,358	23,861	–	–
Income tax payable		2,113	2,332	5	–
		28,304	32,968	14,124	724
Net current assets		69,964	62,827	12,243	25,487
Non-current liabilities					
Lease liabilities	15	2,294	2,243	367	186
Deferred tax liabilities	10	525	312	12	11
Pension benefit obligation	6	178	918	98	194
Other non-current liabilities		14	18	–	–
		3,011	3,491	477	391
Total liabilities		31,315	36,459	14,601	1,115
Net assets		106,652	130,308	43,979	62,568

The accompanying notes form an integral part of these financial statements.

MEDTECS INTERNATIONAL CORPORATION LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (cont'd)

At 31 December 2024

		Group		Company	
		2024	2023	2024	2023
	Note	US\$'000	US\$'000	US\$'000	US\$'000
Equity attributable to equity holders of the Company					
Share capital	26	27,471	27,471	27,471	27,471
Less: Treasury shares	26	(2,361)	(2,361)	(2,361)	(2,361)
Share premium		4,721	4,721	4,721	4,721
Revenue reserves		77,204	99,618	13,475	32,071
Remeasurement gain on retirement benefit obligations		249	211	112	105
Foreign currency translation reserves	27	(1,509)	(850)	–	–
Other reserves	27	394	394	561	561
		106,169	129,204	43,979	62,568
Non-controlling interests	16	483	1,104	–	–
Total equity		106,652	130,308	43,979	62,568
Total equity and liabilities		137,967	166,767	58,580	63,683

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MEDTECS INTERNATIONAL CORPORATION LIMITED AND ITS SUBSIDIARIES For the financial year ended 31 December 2024

	Share capital (Note 26) US\$'000	Share premium US\$'000	Revenue reserves US\$'000	Remeasu- rement gain on retirement benefit obligations US\$'000	Foreign currency translation reserves (Note 27) US\$'000	Other reserves (Note 27) US\$'000	Treasury shares (Note 26) US\$'000	Non- controlling interest (Note 16) US\$'000	Total US\$'000
2024									
Group									
Balance at 1 January 2024	27,471	4,721	99,618	211	(850)	394	(2,361)	1,104	130,308
Net loss for the year, net of tax	–	–	(22,422)	–	–	–	–	(1,527)	(23,949)
<i>Other comprehensive income</i>									
Foreign currency translation reserves	–	–	–	–	(659)	–	–	–	(659)
Remeasurement gain on retirement benefit obligation, net of tax	–	–	–	46	–	–	–	–	46
Other comprehensive income/(loss) for the year	–	–	–	46	(659)	–	–	–	(613)
Total comprehensive (loss)/income for the year, net of tax	–	–	(22,422)	46	(659)	–	–	(1,527)	(24,562)
Reclassification of actuarial gains to revenue reserves	–	–	8	(8)	–	–	–	–	–
Deconsolidation of subsidiaries (Note 16)	–	–	–	–	–	–	–	906	906
Balance at 31 December 2024	27,471	4,721	77,204	249	(1,509)	394	(2,361)	483	106,652

The accompanying notes form an integral part of these financial statements.

MEDTECS INTERNATIONAL CORPORATION LIMITED AND ITS SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (cont'd)
For the financial year ended 31 December 2024

	Share capital (Note 26) US\$'000	Share premium US\$'000	Revenue reserves US\$'000	Remeasu- rement gain on retirement benefit obligations US\$'000	Foreign currency translation reserves (Note 27) US\$'000	Other reserves (Note 27) US\$'000	Treasury shares (Note 26) US\$'000	Non- controlling interest (Note 16) US\$'000	Total US\$'000
2023									
Group									
Balance at 1 January 2023	27,471	4,721	120,424	250	(735)	19	(2,361)	2,526	152,315
Net loss for the year, net of tax	-	-	(21,066)	-	-	-	-	(1,422)	(22,488)
<i>Other comprehensive income</i>									
Foreign currency translation reserves	-	-	-	-	(115)	-	-	-	(115)
Unrealised gains on FAFVOCI	-	-	-	-	-	635	-	-	635
Disposal of FAFVOCI	-	-	260	-	-	(260)	-	-	-
Remeasurement loss on retirement benefit obligation, net of tax	-	-	-	(39)	-	-	-	-	(39)
Other comprehensive income/(loss) for the year	-	-	260	(39)	(115)	375	-	-	481
Total comprehensive (loss)/income for the year, net of tax	-	-	(20,806)	(39)	(115)	375	-	(1,422)	(22,007)
Balance at 31 December 2023	27,471	4,721	99,618	211	(850)	394	(2,361)	1,104	130,308

The accompanying notes form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY

MEDTECS INTERNATIONAL CORPORATION LIMITED AND ITS SUBSIDIARIES For the financial year ended 31 December 2024

	Share capital (Note 26) US\$'000	Share premium US\$'000	Revenue reserves US\$'000	Remeasu- rement gain on retirement benefit obligations US\$'000	Other reserves (Note 27) US\$'000	Treasury shares (Note 26) US\$'000	Total equity US\$'000
Company							
Balance at 1 January 2023	27,471	4,721	53,332	105	561	(2,361)	83,829
Net loss for the year, representing total comprehensive loss for the year, net of tax	–	–	(21,261)	–	–	–	(21,261)
Balance at 31 December 2023/ 1 January 2024	27,471	4,721	32,071	105	561	(2,361)	62,568
Net loss for the year, net of tax	–	–	(18,596)	–	–	–	(18,596)
Remeasurement gain on retirement benefit obligation, net of tax	–	–	–	7	–	–	7
Total comprehensive (loss)/income for the year, net of tax	–	–	(18,596)	7	–	–	(18,589)
Balance at 31 December 2024	27,471	4,721	13,475	112	561	(2,361)	43,979

The accompanying notes form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

MEDTECS INTERNATIONAL CORPORATION LIMITED AND ITS SUBSIDIARIES For the financial year ended 31 December 2024

	Note	2024 US\$'000	2023 US\$'000
Operating activities			
Loss before tax		(23,440)	(22,515)
Adjustments for:			
Depreciation:			
- Property, plant and equipment	12	4,276	4,118
- Assets held for leasing	14	1,860	1,956
- Right-of-use assets	15	1,028	1,023
- Investment property	13	111	112
Amortisation of computer software	17	277	–
Impairment loss on property, plant and equipment	12	138	2,000
Write off of:			
- Receivables	21	–	90
- Golf membership	18	–	29
Allowance for:			
- Write down of inventory	19	7,356	3,072
- Expected credit losses on trade receivables	20	9,817	6,004
- Expected credit losses on other receivables	21	2,257	–
- Impairment on other current assets	21	–	822
Reversal of:			
- Write down of inventory	19	(103)	(1,440)
- Expected credit losses on receivables	20	(3)	(125)
Gain on deconsolidation	16	(2,199)	–
Interest expense on loans and lease liabilities	8	764	742
Other finance expenses	8	30	74
Unrealised currency translation gains		(20)	(51)
Net changes in pension benefits obligation		(674)	68
Interest income	7	(1,457)	(1,304)
Dividend income from quoted equity investments		–	(126)
Gain on disposal of property, plant and equipment	5	(35)	(345)
Operating cash flows before changes in working capital		(17)	(5,796)
Decrease/(increase) in:			
- Inventories		296	(2,596)
- Trade receivables		2,226	157
- Other current assets		(28,311)	1,844
- Guarantee deposits and deposits (non-current)		879	99
Decrease in:			
- Trade payables and other liabilities		27,851	(578)
- Deferred lease income		(4)	(4)
Cash generated from/(used in) operations		2,920	(6,874)
Income taxes paid		(547)	(237)
Other finance cost paid		(30)	(74)
Net cash from/(used in) operating activities		2,343	(7,185)

The accompanying notes form an integral part of these financial statements.

MEDTECS INTERNATIONAL CORPORATION LIMITED AND ITS SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS (cont'd)
For the financial year ended 31 December 2024

	Note	2024 US\$'000	2023 US\$'000
Investing activities			
Proceeds from disposal of:			
- Property, plant and equipment		48	364
- Assets held for leasing		28	24
- Quoted equity investments		–	3,938
Purchases of:			
- Property, plant and equipment	12	(1,683)	(3,113)
- Assets held for leasing	14	(1,640)	(1,779)
- Intangible assets	17	(30)	(2,515)
Refund received for purchase of property, plant and equipment		–	289
Interest received from fixed deposit and investment in unquoted bond	7	1,457	1,304
Dividend received from quoted equity investments	5	–	126
Fixed deposits with maturity of more than 90 days		(855)	10,970
Net cash outflow from deconsolidation of subsidiaries	16	(50)	–
Net cash (used in)/ from investing activities		(2,725)	9,608
Financing activities			
Uplift/(pledge) of fixed deposits		1,043	(4,547)
Proceeds from loans and borrowings	25	19,358	23,861
Repayment of loans and borrowings	25	(23,861)	(15,643)
Interest paid on loans and borrowings	25	(503)	(470)
Principal payments of lease liabilities	15	(715)	(1,089)
Interest payments of lease liabilities	15	(261)	(272)
Net cash (used in)/from financing activities		(4,939)	1,840
Net (decrease)/increase in cash and cash equivalents		(5,321)	4,263
Cash and cash equivalents at beginning of the financial year	23	22,305	18,122
Effects of currency translation on cash and cash equivalents		(195)	(80)
Cash and cash equivalents at end of the financial year	23	16,789	22,305

The accompanying notes form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

MEDTECS INTERNATIONAL CORPORATION LIMITED AND ITS SUBSIDIARIES For the financial year ended 31 December 2024

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1 Corporate information

Medtecs International Corporation Limited (the “Company”) is a limited liability company, which is domiciled in the Philippines, incorporated in Bermuda and is listed on the Catalist board of the Singapore Exchange Securities Trading Limited (SGX-ST).

The Company’s registered office is located at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda. The Company’s principal place of business is located at 22/F The World Center Building, #330 Sen. Gil Puyat Avenue Bel-air, Makati City, Philippines.

The principal activities of the Company are manufacturing and selling of medical supplies and equipment and woven and knitted medical textile products and nitrile gloves. The principal activities of the subsidiaries are set out in Note 16 to the financial statements.

2 Material accounting policies

2.1 Basis of preparation

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)s”). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States Dollars (US\$) and all values in the tables are rounded to the nearest thousand (\$’000) unless otherwise indicated.

Use of estimates and judgements

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The areas involving a higher degree of judgement in applying accounting policies, or areas where assumptions and estimates have a significant risk of resulting in material adjustment within the next financial year are disclosed in Note 3 to the financial statements.

The carrying amounts of cash and cash equivalents, trade and other current receivables and payables (other than lease liabilities) approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

2 Material accounting policies (cont'd)

2.1 Basis of preparation (cont'd)

Adoption of new and amended standards and interpretations

In the current financial year, the Group has adopted all the new and revised SFRS(I) and SFRS(I) Interpretations ("SFRS(I) INT") that are relevant to its operations and effective for the current financial year. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective SFRS(I) and SFRS(I) INT.

The adoption of these new/revised SFRS(I) and SFRS(I) INT did not have any material effect on the financial results or position of the Group and the Company.

New and revised standards not yet effective

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the financial year ended 31 December 2024 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company except as disclosed below:

SFRS(I) 18 Presentation and Disclosure in Financial Statements

SFRS(I) 18 will replace SFRS(I) 1-1 *Presentation of Financial Statements* for annual reporting period beginning on or after 1 January 2027, with earlier application permitted. It requires retrospective application with specific transition provisions.

The new standard introduces the following key requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present subtotals and totals for "operating profit", "profit or loss before financing and income taxes", and "profit or loss" in the statement of profit or loss.
- Management-defined performance measures (MPMs) are disclosed in a single note within the financial statements. This note includes details on how the measure is calculated, the relevance of the information provided to users, and a reconciliation to the most comparable subtotal specified by the SFRS(I)s.
- Enhanced guidance on aggregating and disaggregating information in financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is in the process of assessing the impact of the new standard on the primary financial statements and notes to the financial statements.

Medtecs International Corporation Limited and its subsidiaries

2 Material accounting policies (cont'd)

2.2 Functional and foreign currency

Items included in the financial statements of each entity in the Group are measured using the currency of the primary economic environment in which that entity operates (the “functional currency”). The financial statements of the Group and the Company are presented in US\$, which is the Company’s functional currency.

2.3 Property, plant and equipment

Property, plant and equipment are initially recognised at cost and subsequently carried at cost less accumulated depreciation and any impairment in value. Property, plant and equipment are depreciated using the straight-line method over their estimated useful lives. Leasehold buildings and improvements are depreciated over the term of the lease or the life of the asset, whichever is shorter. The estimated useful lives of property, plant and equipment are as follows:

	Years
Buildings and improvements	5 - 30
Machinery, equipment and others	10 - 15
Furniture, fixtures and equipment	3 - 10
Leasehold improvements	3 - 10
Transportation equipment	5 - 10

Construction-in-progress represents assets in the course of construction for production, or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognised impairment loss until construction or development is completed.

2.4 Investment property

Investment property is property that is owned by the Group to earn rentals.

Investment property is measured at cost less accumulated depreciation and accumulated impairment loss. Depreciation is computed on a straight-line basis over the estimated useful life of 48 years or term of the lease, whichever is shorter.

2.5 Intangible assets

Goodwill

Goodwill is initially measured at cost. Following initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Computer software

Computer software is stated at cost less accumulated amortisation and accumulated impairment losses. The costs are amortised using the straight-line method over their estimated useful lives of 10 years.

2 Material accounting policies (cont'd)

2.6 Financial instruments

i) Financial assets

Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade date - the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets (other than financial assets at fair value through profit or loss) are added to the fair value of the financial assets on initial recognition. Trade receivables without a significant financing component is initially measured at transaction prices.

Classification and measurement

All financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The classification is based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial assets.

Subsequent measurement

Debt instruments

Debt instruments include cash and cash equivalents, trade and other receivables (excluding prepayments) and investment in unquoted bond. Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset. The Group only has debt instruments at amortised cost.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. Interest income from these financial assets is included in interest income using the EIR method.

Equity instruments

The Group has designated all of its equity investments that are not held for trading as at FVOCI at initial recognition. Gains and losses arising from changes in fair value of these equity investments classified as FVOCI are presented as "fair value gains/losses" in other comprehensive income and accumulated in fair value reserve and will never be reclassified to profit or loss. On disposal of an equity investment, the difference between the carrying amount and sales proceed amount would be recognised in profit or loss except for equity investment designated at FVOCI which would be recognised in other comprehensive income. Fair value reserve relating to the disposed asset would be transferred to retained earnings upon disposal. Dividends from equity investments are recognised in profit or loss and presented in "other income". Equity investments classified as FVOCI are not subject to impairment assessment.

Medtecs International Corporation Limited and its subsidiaries

2 Material accounting policies (cont'd)

2.6 Financial instruments (cont'd)

i) Financial assets (cont'd)

Impairment

The Group recognises an allowance for expected credit losses ("ECLs") for financial assets carried at amortised cost.

The impairment methodology applied depends on whether there has been a significant increase in credit risk. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12 months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables that do not have a significant financing component, the Group applies a simplified approach to recognise a loss allowance based on lifetime ECLs at each reporting date.

The Group assesses the credit risk of trade receivables based on internal credit ratings assigned to customers. The credit rating is determined considering customers' financial strength, historical payment behavior, and external credit reports where applicable.

For high credit quality customers, the Group has established a provision matrix that is based on the Group's historical observed default rates analysed in accordance to months past due. The loss allowances also incorporate forward looking information such as forecast of economic conditions.

For low credit quality, the Group performs individual assessment of ECL based on historical credit loss experience, adjusted as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

If the Group has measured the loss allowance for a financial asset at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial assets with a corresponding adjustment to their carrying amount through a loss allowance account.

ii) Financial liabilities

Financial liabilities include trade and other payables, and loans and bank borrowings. Financial liabilities are recognised on the balance sheet when, and only when, the Group becomes a party to the contractual provisions of the financial instruments. Financial liabilities are initially recognised at fair value minus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is extinguished. Gains and losses are recognised in profit or loss when the liabilities are derecognised and through the amortisation process.

2 Material accounting policies (cont'd)

2.7 Inventories

Inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and conditions are accounted for as follows:

- Raw materials: purchase costs on a weighted average costing method.
- Finished goods and work-in-progress: costs of direct materials on a weighted average costing method and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.

Where necessary, allowance is provided to adjust the carrying value of inventories to the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

2.8 Employee benefits

Defined benefits pension plans

The Group operates defined benefits pension plans. The pension benefits in the Philippines are unfunded and non-contributory covering substantially all the regular employees of the Group's subsidiaries in the Philippines. Pension benefit expense determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning employees' projected salaries. Pension benefit expense includes current service cost and interest cost. Remeasurement gains and losses are recognised under other comprehensive income in the period in which they occur.

The past service cost is recognised as an expense when the plan amendment occurs regardless of whether they are vested.

The defined benefit liability is the aggregate of the present value of the defined benefit obligation reduced by past service cost not yet recognised.

2.9 Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As lessee

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities representing the obligations to make lease payments and right-of-use assets representing the right to use the underlying leased assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). The right-of-use assets comprise the initial measurement of the corresponding lease liabilities, lease payments made at or before the commencement date.

Right-of-use assets are subsequently measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the useful lives of the assets which ranges from 2 to 50 years.

Medtecs International Corporation Limited and its subsidiaries

2 Material accounting policies (cont'd)

2.9 Leases (cont'd)

As lessee (cont'd)

Right-of-use assets (cont'd)

The right-of-use assets are presented as a separate line in the balance sheets.

The Group applies SFRS(I) 1-36 *Impairment of Assets* to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss.

Lease liabilities

The lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

The lease liabilities are presented as a separate line in the balance sheets.

The lease liabilities are subsequently measured by increasing the carrying amount to reflect interest on the lease liabilities using the effective interest method, and reducing the carrying amount to reflect the lease payments made.

As lessor

Leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising from operating leases on the Group's investment properties is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Deposits payables

Deposits payables are measured at amortised cost. Deposits payables refer to security deposits received from various tenants upon inception of the respective lease contracts on the Group's investment properties. At the termination of the lease contracts, the security deposits received by the Group are returned to tenants, reduced by unpaid rental fees, penalties and/or deductions from repairs of damaged leased properties, if any. The related lease contracts usually have a term of more than twelve months.

As intermediate lessor

When the Group is an intermediate lessor, it accounts for the head lease and the sub-lease as two separate contracts. The sub-lease is classified as a finance lease by reference to the right-of-use asset arising from the head lease.

2.10 Assets held for leasing

Assets held for leasing are carried at cost and consist mainly of medical clothes and quilts. These are amortised on a straight-line basis over five years.

Assets held for leasing are derecognised either when they have been disposed of or when the assets are permanently withdrawn from use and no future economic benefit is expected from the assets' disposal. Any gains or losses on the retirement or disposal of assets held for leasing are recognised in the profit and loss accounts in the year of retirement or disposal.

2 Material accounting policies (cont'd)

2.11 Revenue recognition

Manufacturing, distribution and others

Revenue is recognised when the goods are delivered to the customer and all criteria for acceptance have been satisfied. The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of the estimated volume discounts and adjusted for expected returns. Based on the Group's experience with similar types of contracts, variable consideration is typically constrained and is included in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

At the end of each reporting date, the Group updates its measurement of any asset for the right to recover returned goods for changes in its expectations about returned goods.

Hospital laundry services

Revenue is recognised as earned when the service is rendered.

The obligation to provide the hospital laundry services are obligation satisfied over time as the customer simultaneously receives and consumes the benefits provided by the Group. The Group measures the satisfaction of the performance obligation based on output method, i.e. the value transferred to the customer. The Group will apply the right to invoice practical expedient that allows the Group to recognise revenue as invoiced which is the amount that corresponds directly with the value to the customer of the entity's performance to date.

Rental income

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms. The aggregate costs of incentives provided to lessees are recognised as a reduction of rental income over the lease term on a straight-line basis.

2.12 Share capital, share premium and share issue expenses

Share capital is stated at par value of the share. Proceeds received in excess of par value, if any, is recognized as share premium in equity.

Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

Medtecs International Corporation Limited and its subsidiaries

2 Material accounting policies (cont'd)

2.13 Treasury shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognized in the share premium.

2.14 Segment reporting

For management purposes, the Group is organised on a world-wide basis into three major geographical segments. The divisions are the basis on which the Group reports its primary segment information.

Segment revenues, expenses and results include transfers between geographical segments and between business segments. Such transfers are accounted for on an arm's-length basis.

2.15 Cash and cash equivalents in the statement of cash flows

For the purpose of presentation in the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, deposits that are readily convertible (maturity of less than 90 days) to a known amount of cash and are subject to an insignificant risk of changes in value and excludes pledged deposits.

3 Critical accounting judgements and key sources of estimation uncertainty

Judgements made in applying the Group's accounting policies

In the process of applying the Group's accounting policies, which are described in Note 2, management has made the following judgement that has the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt in the preceding paragraphs):

Functional currency

The Group measures foreign currency transactions in the respective functional currencies of the Company and its subsidiaries. In determining the functional currencies of the entities in the Group, judgement is required by management to determine the primary economic environment in which the entities operate, the entities' process of determining sales prices and the currency of the country whose competitive forces and regulations mainly influences the prices of its goods and services. Management has assessed that prices are mainly denominated and settled in the respective local currency of the entities of the Group. In addition, most of the entities' cost base is mainly denominated in their respective local currency. Therefore, management concluded that the functional currency of the entities of the Group is their respective local currency.

Deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies.

3 Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Judgements made in applying the Group's accounting policies (cont'd)

Deconsolidation of subsidiaries

In preparing the consolidated financial statements, management has exercised significant judgment in determining the point at which control over Resilient Medical Pte Ltd (in liquidation) ("**RMPL**") and its subsidiaries was lost, in accordance with SFRS(I) 10 – Consolidated Financial Statements.

On 27 December 2024, an application was made to the General Division of the High Court of the Republic of Singapore ("**Court**") for an order that RMPL be wound up as it was unable to pay its debts pursuant to Section 125(1)(e) of the Insolvency, Restructuring and Dissolution Act 2018 ("IRDA") of Singapore.

Management has determined that control over RMPL was lost on 27 December 2024 because the winding-up was deemed to have commenced then. The conclusion was based on the following considerations:

- Upon the filing of the winding-up application with the Court on 27 December 2024, the Group no longer had the ability to direct the relevant activities of RMPL and its subsidiaries as these are subject to the direction by the Court.
- The winding-up application imposed restrictions that effectively curtailed the Group's control and involvement over RMPL's relevant activities.
- The liquidator may apply to the Court to void any transactions made after the commencement of winding up proceedings.
- From 27 December 2024, the Group no longer has the power to direct RMPL's relevant activities or derive variable returns and failed to meet the control definition under SFRS(I) 10 – Consolidated Financial Statements.

As a result, RMPL and its subsidiaries were deconsolidated from the Group's financial statements with effect from 27 December 2024, and the related financial impacts, including the derecognition of assets and liabilities, have been reflected accordingly.

Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i) Impairment of investments in subsidiaries, goodwill property, plant and equipment and right-of-use ("ROU") assets

The Group determines whether goodwill is impaired at least on an annual basis. For investments in subsidiaries, property, plant and equipment and ROU assets, the Group and Company assess, at each reporting date, whether there is an indication that the asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group and Company estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less cost of disposal and its value in use. When the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Medtecs International Corporation Limited and its subsidiaries

3 Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Key sources of estimation uncertainty (cont'd)

i) Impairment of investments in subsidiaries, goodwill property, plant and equipment and right-of-use ("ROU") (cont'd)

In determining value in use of the asset, the Group and the Company estimate the expected future cash flows from the cash-generating unit incorporating the annual revenue growth rate, forecasted gross margins and terminal growth rate and also choose a suitable discount rate in order to calculate the present value of those cash flows. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples or other available fair value indicators.

During the financial year, an impairment of \$138,000 (2023: \$2,000,000) was made against property, plant and equipment. In prior financial year, an impairment of \$111,000 was made against investment in subsidiaries. No impairment was recognised for goodwill. Further details of the impairment of investment in subsidiaries, goodwill and property, plant and equipment are disclosed in Notes 16, 17 and 12.

ii) Allowance of expected credit losses ("ECLs") for receivables

Trade receivables

In determining the ECLs, Management classifies its trade receivables into high credit quality and low credit quality by considering both quantitative and qualitative information of the debtor that is reasonable and supportable, including their credit profile and other characteristics such as debtors' payment history, current and future conditions of the debtors to determine loss rate of individual debtor.

For high credit quality trade receivables, the loss rate is calculated based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust historical credit loss experience and consideration of data and information used by management in determining the forward-looking adjustments based on current economic condition.

For low credit quality trade receivables, management considers debtors' payment history, current and future conditions of the debtors to determine loss rate of individual debtor.

The assessment of correlation between historical observed default rates, forecast economic conditions (consumer price index and inflation rates) and ECLs involves high degree of estimation. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions.

During the financial year, the Group and the Company recognised allowance of ECL amounting to \$9,817,000 (2023: \$6,004,000) and \$8,602,000 (2023: \$6,000,000) respectively. The information about the ECLs on the Group's and the Company's trade receivables is disclosed in Note 20.

3 Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Key sources of estimation uncertainty (cont'd)

ii) Allowance of expected credit losses (“ECLs”) for receivables (cont'd)

Other receivables

As at the financial year end, management performed an ECL assessment on amount due from RMPL, based on the estimated amounts expected to be received or the equivalent assets to be awarded to the Group and the Company by the liquidator for the settlement of the debt owed by RMPL to the Company. As a result, the Group and the Company recognised an allowance for ECL amounting to \$2,257,000. The information about the ECLs on the Group's and the Company's other receivables is disclosed in Note 21.

iii) Inventory valuation

The Group establishes a basis of allocation of direct labour and factory overheads to the finished goods and work-in-progress. Significant management judgement is required to determine the basis of allocation for each stage of production of inventories upon taking into consideration of the cost directly related to the production during the period.

The Group recognises allowance for write down of inventory when the net realisable values of inventory items become lower than cost due to obsolescence or other causes. Management reviews the inventory ageing report on monthly basis to identify slow-moving inventories. For identified slow-moving inventories, Management estimates the amount of allowance based on latest replacement costs of raw materials and subsequent selling prices of inventories.

During the financial year, the Group recognised allowance for inventory of \$7,356,000 (2023: \$3,702,000). The information about the allowance for inventory is disclosed in Note 19.

iv) Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations and the amount and timing of future taxable income.

The Group establishes provisions, based on reasonable estimates, for possible consequences of audits by the tax authorities of the respective countries in which it operates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the relevant tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective company's domicile.

The carrying amount of the Group's income tax payable as at 31 December 2024 was \$2,113,000 (2023: \$2,332,000).

v) Useful lives of property, plant and equipment and assets held for leasing

The Group estimates the useful lives of its property, plant and equipment and assets held for leasing based on the period over which the assets are expected to be available for use. The Group reviews annually the estimated useful lives of the property, plant and equipment and assets held for leasing based on factors that include asset utilisation, internal technical evaluation, technological changes, environmental and anticipated use of the assets tempered by related industry benchmark information. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned.

The carrying amount of the Group's property, plant and equipment and assets held for leasing as at 31 December 2024 are disclosed in Notes 12 and 14.

Medtecs International Corporation Limited and its subsidiaries

4 Revenue

Disaggregation of revenue

Group	Manufacturing		Hospital Services		Distribution and Others		Total	
	2024	2023	2024	2023	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Primary geographical markets								
North America	8,051	8,411	–	–	–	–	8,051	8,411
Asia Pacific	3,433	5,731	15,174	14,544	2,772	3,537	21,379	23,812
Europe	24,993	20,416	–	–	–	–	24,993	20,416
	36,477	34,558	15,174	14,544	2,772	3,537	54,423	52,639
Timing of transfer of goods or services								
At a point in time	36,477	34,558	–	–	2,159	2,924	38,636	37,482
Over time	–	–	15,174	14,544	613	613	15,787	15,157
	36,477	34,558	15,174	14,544	2,772	3,537	54,423	52,639

Revenue is derived from external customers who individually contributed 10% or more of the Group's revenue and are attributable to the segments as detailed below:

		2024	2023
		US\$'000	US\$'000
	<u>Attributable segment</u>		
Customer A	Manufacturing	18,650	15,075
Customer B	Manufacturing	5,595	3,940
		24,245	19,015

5 Other income - net

	Group	
	2024	2023
	US\$'000	US\$'000
Foreign exchange gain/(loss)	632	(35)
Rent income	459	369
Gain on disposal of property, plant and equipment	35	345
Scrap sales	430	304
Gain on deconsolidation of subsidiaries (Note 16)	2,199	–
Other income from reversal of long-outstanding liabilities	392	207
Reversal of expected credit loss on trade receivables (Note 20)	3	125
Dividend income from quoted equity investments	–	126
Others	221	546
	4,371	1,987

Others include facilitation grant, administration fee and various miscellaneous and operating income generated.

Dividend income from quoted equity investments of \$126,000 related to the quoted equity investment designated at FAFVOCI disposed in 2023.

6 Employee benefits

	Group	
	2024	2023
	US\$'000	US\$'000
Personnel expenses		
Wages, salaries and bonus	23,073	25,312
Defined benefit plans and other employee benefits	902	1,679
	23,975	26,991

Personnel expenses include amounts disclosed as directors' remuneration in Note 28(b).

The other employee benefits include the expenses related to the defined contribution plan of MTC. The Labor Pension Act (the "Act") in Taiwan, which provides for a new defined contribution plan, took effect on 1 July 2005. Employees already covered by the Labor Standard Law (the "Law") can choose to remain to be subject to the pension mechanism under the Law or to be subject to the Act. Under the Act, the rate of the employer monthly contribution to the pension fund should be at least 6% of the employee's monthly wages.

Medtecs International Corporation Limited and its subsidiaries

6 Employee benefits (cont'd)

Pension plan

This relates to the amount of pension benefit expense provided for the subsidiaries and the branch in the Group operating in the Philippines covering substantially all its full time employees. Retirement benefits under the plan are based on a percentage of latest monthly salary and years of credited service. The directors review the pension benefits expense with sufficient regularity such that the amount recorded does not differ materially from the amount to be recorded in compliance with SFRS(I) 1-19 at the end of the year.

Under the existing regulatory framework, Republic Act 7641 of the Philippines, Retirement Pay Law, a provision for retirement pay is required to qualified private sector employees in the absence of any retirement plan in the entity, provided however, that the employee's retirement benefits under any collective bargaining and other agreements shall not be less than those provided under the law. The law does not require minimum funding of the plan.

The latest independent actuarial valuation of the plan was as of 31 December 2024 prepared by an independent actuary, and is determined using the projected unit credit actuarial cost method in accordance with SFRS(I) 1-19.

The components of the pension benefit expense recognised in the profit and loss accounts are as follows:

	Group	
	2024	2023
	US\$'000	US\$'000
Current service cost	65	60
Interest cost	51	58
Past service cost	(769)	–
Net benefit expense	(653)	118

The amount recognised in the balance sheet arising from the Group's unfunded obligation in respect of its defined benefit plan in 2024 were \$178,000 (2023: \$918,000). The management of the Group is still contemplating on a scheme to fund the pension plan.

Changes in the present value of the unfunded defined benefit obligations are as follows:

	Unfunded pension plan	
	Group	
	2024	2023
	US\$'000	US\$'000
As at 1 January	918	811
Current service cost	65	60
Interest cost	51	58
Past service cost	(769)	–
Benefits paid	(15)	(50)
Translation adjustment	(20)	–
Net remeasurement (gain)/loss	(52)	39
As at 31 December	178	918

6 Employee benefits (cont'd)

Pension plan (cont'd)

The principal actuarial assumptions as at 31 December used to determine pension benefits are as follows:

	Group	
	2024 %	2023 %
Discount rate	6.11 - 6.14	6.03 - 6.06
Salary increase rate	5.0	5.0

The history of experience adjustments are as follows:

	2024 US\$'000	2023 US\$'000	2022 US\$'000	2021 US\$'000	2020 US\$'000
Group					
Unfunded defined benefit obligation	178	918	811	1,075	1,221
Change in assumption adjustments on plan liabilities	(1)	100	(233)	(221)	267
Experience adjustments on plan liabilities	(31)	(66)	(30)	27	(119)

A quantitative sensitivity analysis for significant assumption as at 31 December 2024 is as shown below:

Assumptions	Sensitivity Level (%)	Impact on defined benefit obligation (Decrease)/increase US\$'000
Discount rates	+0.5	(10)
	-0.5	11
Future salary increases	+2	35
	-2	(34)

The sensitivity analysis above has been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period. The sensitivity analyses are based on a change in a key assumption, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefit obligation as it is unlikely that changes in assumptions would occur in isolation from one another.

The following payments are expected contributions to the defined benefit plan obligation in future years as at 31 December 2024:

	Group US\$'000
Within the next 12 months (next annual reporting period)	2
More than 1 year to 5 years	54
More than 5 years to 10 years	115
More than 10 years to 15 years	394
More than 15 years to 20 years	320
More than 20 years	1,467
	2,352

The average duration of the defined benefit plan obligation at the end of the reporting period is 18.33 years (2023: 18.75 years).

Medtecs International Corporation Limited and its subsidiaries

7 Financial income

	Group	
	2024 US\$'000	2023 US\$'000
Interest income from:		
- Fixed deposits	1,292	1,139
- Investment in unquoted bond	165	165
	1,457	1,304

8 Financial expenses

	Group	
	2024 US\$'000	2023 US\$'000
Interest expenses from:		
- Loans from third parties (Note 25)	503	470
- Lease liabilities (Note 15)	261	272
Other financial expenses	30	74
	794	816

Other finance expenses include bank charges for loans, transfers of funds, payments and collections, and other related costs.

9 Loss before tax

	Group	
	2024 US\$'000	2023 US\$'000
Costs of goods sold	17,934	16,548
Allowance for:		
- Write down of inventory (Note 19)	7,356	3,072
- Expected credit losses on trade receivables (Note 20)	9,817	6,004
- Expected credit losses on other receivables (Note 21)	2,257	-
- Impairment loss on property, plant and equipment (Note 12)	138	2,000
- Impairment loss on other current assets (Note 21)	-	822
Reversal of:		
- Write down of inventory (Note 19)	(103)	(1,440)
- Expected credit losses on trade receivables (Note 20)	(3)	(125)
Depreciation of:		
- Property, plant and equipment (Note 12)	4,276	4,118
- Assets held for leasing (Note 14)	1,860	1,956
- Right-of-use assets (Note 15)	1,028	1,023
- Investment property (Note 13)	111	112
Amortisation of intangible assets (Note 17)	277	-
Operating lease expenses (Note 15)	375	368
Write off of:		
- Receivables (Note 21)	-	90
- Golf membership (Note 18)	-	29
Auditor remuneration:		
Audit services		
- auditor of the Company	168	180
- other auditors	207	184
Non-audit services		
- auditor of the Company	4	-
- other auditor of the Company	-	8
	-	8

10 Tax expense

a) Major components of income tax expense/(credit)

The major components of income tax expense/(credit) for the years ended 31 December are:

	Group	
	2024 US\$'000	2023 US\$'000
Current tax expense	332	154
<i>Deferred tax expense</i> Reversal of temporary differences	177	(181)
Income tax expense/(credit)	509	(27)

b) Relationship between tax credit and accounting loss

The reconciliation between the tax expense/(credit) and the product of accounting (loss)/profit multiplied by the applicable corporate tax rates for the years ended 31 December are as follows:

	Group	
	2024 US\$'000	2023 US\$'000
Loss before tax	(23,440)	(22,515)
Tax on relevant profits/(losses) at the Parent Company's statutory rate	–	–
Adjustments:		
Effect of higher tax rates in Cambodia	38	(96)
Effect of higher tax rates in Philippines	(1,831)	(1,243)
Effect of higher tax rates in Taiwan	199	107
Effect of higher tax rates in China	–	4
Effect of higher tax rates in Singapore	11	–
Non-deductible expenses	410	51
Movement of unrecognised deferred tax assets	1,448	1,011
Translation adjustment	154	222
Other income subjected to final tax	(38)	(64)
Others	118	(19)
Income tax expense/(credit) recognised in profit and loss	509	(27)

Medtecs International Corporation Limited and its subsidiaries

10 Tax expense (cont'd)

c) Deferred tax assets and liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The movements in the deferred tax account are as follows:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Balance at beginning of the year	1,942	1,764	(11)	(13)
Currency translation differences	–	(9)	–	–
Tax credit/(charge) to				
- Profit or loss	(177)	181	(1)	2
- Other comprehensive income	(6)	6	–	–
Balance at end of the year	1,759	1,942	(12)	(11)
Representing:				
<i>Non-current</i>				
Deferred tax asset	2,284	2,254	–	–
Deferred tax liabilities	(525)	(312)	(12)	(11)
	1,759	1,942	(12)	(11)

10 Tax expense (cont'd)

The following are the major deferred tax liabilities/(assets) recognised by the Group and the Company and the movements thereon, during the current and prior reporting periods.

	Translation adjustment US\$'000	Right-of- use assets US\$'000	Lease liabilities US\$'000	Unutilised tax losses US\$'000	Pension liabilities US\$'000	Total US\$'000
Group						
Cost						
At 1 January 2023	(639)	(552)	647	2,105	203	1,764
Charged to profit or loss	(187)	114	(100)	330	24	181
Charged to other comprehensive income	–	–	–	–	6	6
Exchange differences	–	–	–	–	(9)	(9)
At 31 December 2023	(826)	(438)	547	2,435	224	1,942
Charged to profit or loss	199	74	(85)	(234)	(131)	(177)
Charged to other comprehensive income	–	–	–	–	(6)	(6)
At 31 December 2024	(627)	(364)	462	2,201	87	1,759

	Translation adjustments US\$'000	Total US\$'000
Company		
Cost		
At 1 January 2023	(13)	(13)
Charged to profit or loss	2	2
At 31 December 2023	(11)	(11)
Charged to profit or loss	(1)	(1)
At 31 December 2024	(12)	(12)

At the balance sheet date, the Group has unutilised tax losses of \$16,806,000 (2023: \$15,844,000) that are available for carry forward to offset against future taxable income subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the companies operate. Deferred tax asset has been recognised in respect of \$10,996,000 (2023: \$11,936,000) of such losses. No deferred tax asset has been recognised in respect of the remaining \$5,810,000 (2023: \$3,908,000) losses as it is not probable that future taxable profits will be sufficient to allow the related tax benefits to be realised. Included in unrecognised tax losses are losses of \$9,719,000 (2023: \$8,757,000) that will expire in 2025 - 2029 (2023: 2024 - 2028). Other losses do not expire under current tax legislation.

Deferred tax asset of \$1,825,000 (2023: \$500,000) has also not been recognised in respect of deductible temporary differences arising from impairment and allowances because it is not probable that future taxable profit will be available against which the related tax benefits can be utilised therefrom.

Medtecs International Corporation Limited and its subsidiaries

10 Tax expense (cont'd)

d) Other matters

The Company is an exempted company incorporated in Bermuda and as such, the income and capital gains of the Company are not subjected to tax in Bermuda.

Certain subsidiaries and the branch of the Company operating in the Philippines are registered as economic zone enterprises enjoying incentives such as a 5% special tax rate on gross margin earned after the tax holiday in lieu of all Philippine national and local taxes, and tax and duty-free importation of raw materials, capital equipment, household and personal items for use solely within the economic zone area. In 2010, the economic zone was converted into a freeport zone by virtue of the Republic Act (RA) No. 9728. Under the new law, existing enterprises within the ecozone are eligible to register as freeport enterprises with option to avail of existing incentives under RA No. 7916. The subsidiaries and the branch registered with the freeport zone and availed of the existing incentives.

In Cambodia, the tax on profit ("ToP") is the higher of 20% of taxable income or a minimum tax of 1% of total revenue.

There are no income tax consequences attaching to payment of dividends by the Company to its shareholders.

11 Loss per share

The following tables reflect the profit and loss accounts and share data used in the computation of basic and diluted loss per share for the year ended 31 December 2024:

	Group	
	2024	2023
	US\$'000	US\$'000
Net loss attributable to ordinary equity holders of the Company used in the computation of basic and diluted EPS	(22,422)	(21,066)
Weighted average number of ordinary shares used to compute earnings per share ('000)	544,911	544,911
Basic and diluted loss per share (cents)	(4.115)	(3.866)

Earnings per share ("EPS") computation

The basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares (excluding treasury shares) outstanding during the year.

12 Property, plant and equipment

	Building and improvements US\$'000	Machinery equipment and others US\$'000	Furniture, fixtures and equipment US\$'000	Leasehold improvements US\$'000	Transportation Equipment US\$'000	Constructi on in- progress US\$'000	Total US\$'000
Group Cost							
At 1 January 2023	36,826	45,740	2,525	4,871	1,924	3,048	94,934
Additions	1,603	755	33	188	411	123	3,113
Disposals	–	(2,366)	(44)	–	(81)	–	(2,491)
Reclassification	3,102	(9)	(13)	(2)	2	(3,080)	–
Exchange differences	(10)	(3)	24	3	2	–	16
At 31 December 2023	41,521	44,117	2,525	5,060	2,258	91	95,572
Additions	199	935	42	59	402	46	1,683
Disposals	–	(407)	(24)	–	(44)	–	(475)
Deconsolidation of subsidiaries	(13,457)	(7,057)	(14)	–	(103)	(6)	(20,637)
Reclassification	(58)	4	(21)	189	–	(114)	–
Exchange differences	(495)	(338)	(30)	(33)	(53)	–	(949)
At 31 December 2024	27,710	37,254	2,478	5,275	2,460	17	75,194
Accumulated depreciation and impairment loss							
At 1 January 2023	14,750	29,224	2,060	4,316	992	–	51,342
Depreciation charge for the year	1,215	2,317	182	182	222	–	4,118
Disposals	–	(2,352)	(39)	–	(81)	–	(2,472)
Reclassifications	(159)	9	(11)	158	3	–	–
Impairment loss	–	2,000	–	–	–	–	2,000
Exchange differences	(22)	1	24	8	7	–	18
At 31 December 2023	15,784	31,199	2,216	4,664	1,143	–	55,006
Depreciation charge for the year	1,455	2,249	131	146	295	–	4,276
Disposals	–	(401)	(24)	–	(37)	–	(462)
Deconsolidation of subsidiaries	(735)	(892)	(4)	–	(33)	–	(1,664)
Impairment loss	–	87	15	13	23	–	138
Exchange differences	(138)	(218)	(20)	(27)	(22)	–	(425)
At 31 December 2024	16,366	32,024	2,314	4,796	1,369	–	56,869
Net carrying amount							
At 31 December 2023	25,737	12,918	309	396	1,115	91	40,566
At 31 December 2024	11,344	5,230	164	479	1,091	17	18,325

Medtecs International Corporation Limited and its subsidiaries

12 Property, plant and equipment (cont'd)

	Building and improvements US\$'000	Machinery, furniture, fixtures and equipment US\$'000	Leasehold improvements US\$'000	Transportation equipment US\$'000	Construction in-progress US\$'000	Total US\$'000
Company Cost						
At 1 January 2023	2,458	3,566	158	75	–	6,257
Disposals	–	(17)	–	–	–	(17)
Reclassification	–	2	(2)	–	–	–
At 31 December 2023	2,458	3,551	156	75	–	6,240
Additions	–	1	–	–	–	1
At 31 December 2024	2,458	3,552	156	75	–	6,241
Accumulated depreciation						
At 1 January 2023	2,458	3,499	52	54	–	6,063
Depreciation charge for the year	–	19	49	5	–	73
Disposals	–	(17)	–	–	–	(17)
At 31 December 2023	2,458	3,501	101	59	–	6,119
Depreciation charge for the year	–	18	49	5	–	72
At 31 December 2024	2,458	3,519	150	64	–	6,191
Net carrying amount						
At 31 December 2023	–	50	55	16	–	121
At 31 December 2024	–	33	6	11	–	50

12 Property, plant and equipment (cont'd)

Impairment assessment

In the current financial year, in light of recurring losses of several subsidiaries, management has determined that there are indicators that the property, plant and equipment ("**PPE**") may be impaired. The recoverable amounts of the PPE were determined based on fair value less cost of disposal and value in use calculations, depending on the circumstances of each subsidiary.

Management engaged an independent appraiser with recognised and relevant professional qualifications to determine the fair value of PPE for certain subsidiaries. The valuation was conducted using the Depreciated Replacement Cost Method under the Cost Approach. This method estimates the fair value of an asset based on the cost of acquiring a similar new asset with equivalent functionality and utility. Adjustments were made to reflect depreciation, physical wear and tear, installation expenses, other related costs, and the asset's residual value. The fair value measurement is categorised in Level 3 of the fair value hierarchy. As a result of the review, an impairment loss of \$138,000 was recognised under "general and administrative expense" line item for the financial year ended 31 December 2024.

In the previous financial year ended 31 December 2023, in light of recurring losses of a subsidiary, management has determined that there is an indicator that PPE may be impaired. The recoverable amount of the PPE of \$1,534,000 was determined based on fair value less cost of disposal. The fair value was determined based on current market price of similar equipment and a 17% discount adjustment was made for the age and condition of the equipment and cost of disposal. The fair value measurement is categorised in Level 3 of the fair value hierarchy. As a result of the review, an impairment loss of \$2,000,000 was recognised under "general and administrative expense" line item for the financial year ended 31 December 2023. A decrease of 5% in current market price would result in additional impairment loss of \$76,000.

For PPE of other loss-making subsidiaries, the recoverable amounts of those PPE are determined based on the value in use calculations using discounted cash flow projections. The following assumptions were based on management's reasonable estimates of the Group's operations:

	2024	2023
	%	%
Revenue growth rates	8.7	4.0 - 44.0
Terminal growth rates	5.0	5.0 - 6.0
Pre-tax discount rates	10.9	13.3 - 16.7

Medtecs International Corporation Limited and its subsidiaries

12 Property, plant and equipment (cont'd)

Key assumptions used for value-in-use calculation

The following describes management's key assumptions on the cash flow projections to undertake impairment testing of PPE:

Budgeted gross margins

Gross margins are based on a mix of historical margins and expected rates improvements based on management's growth strategies. These are increased over the budget period for anticipated efficiency improvements.

Revenue growth rates

The forecasted revenue growth rates are based on management's estimate of the long-term average growth relevant to the assets.

Terminal growth rates

The forecasted terminal growth rates are based on published industry research and do not exceed the long term average growth rate for the industries relevant to the assets.

Pre-tax discount rates

Discount rates reflect management's estimate of the risks specific to these assets. This is the benchmark used by management to assess operating performance and to evaluate future investment proposals. In determining appropriate discount rates for these assets, reference has been given to the specific circumstances of the assets and derived from their weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Risk specific to these assets is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

If the revenue growth rates and terminal growth rates have been decreased to the following rates or pre-tax discount rates have been increased to the following rates, the estimated recoverable amount would be almost equal to the carrying amount.

	2024	2023
	%	%
Revenue growth rates	36.8	1.0 - 42.0
Terminal growth rates	5.2	0 - 5.0
Pre-tax discount rates	17.5	17.1 – 19.7

12 Property, plant and equipment (cont'd)

Assets pledged as security

As of 31 December 2024, there were property, plant and equipment with carrying amount of \$4,337,000 (2023: \$4,951,000) that were mortgaged to secure various loans as disclosed in Note 25.

13 Investment property

	Group	
	2024	2023
	US\$'000	US\$'000
Cost		
As at 1 January and 31 December	5,465	5,465
Accumulated depreciation		
As at 1 January	2,960	2,848
Depreciation charge for the year	111	112
As at 31 December	3,071	2,960
Net carrying amount as at 31 December	2,394	2,505
The following amounts are recognised in profit or loss:		
Rental income (Note 15)	613	613
Depreciation charge (Note 9)	(111)	(112)
Repairs and maintenance	(22)	(9)
Taxes and licenses	(8)	(12)
Insurance	(3)	(3)
	469	477

The Group's investment property includes building and building improvements located in No. 7 corners of Argonaut Highway, Efficiency Avenue and Duty street, within Subic Bay Gateway Park, Subic Bay Freeport Zone, Olongapo City, Zambales, Philippines that are held to earn rentals. The Group has no restrictions on the realisability of its investment properties and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

Valuation of investment property

A fair valuation of the investment properties was performed by an independent appraiser with recognised and relevant professional qualification. Details of valuation techniques and inputs used are disclosed in Note 32 to the financial statements.

Aggregate fair value of the investment property was determined using the income approach. Income approach is a method in which the appraiser derives an indication of value for income producing property by converting anticipated future benefits into current property value. During the current financial year, the discount rate of 11.1% (2023: 11.1%) used under the income approach for valuing anticipated future benefits into current property value is computed under the "Built-Up" method. As of 31 December 2024, fair market value of the investment property, which is based on its highest and best use, amounted to \$3,757,000 (2023: \$3,757,000). The fair value is categorised under Level 3 (valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable) fair value hierarchy.

Medtecs International Corporation Limited and its subsidiaries

14 Assets held for leasing

	Group	
	2024	2023
	US\$'000	US\$'000
Cost		
As at 1 January	11,355	10,533
Additions	1,640	1,779
Disposals	(1,639)	(957)
As at 31 December	11,356	11,355
Accumulated depreciation		
As at 1 January	7,440	6,417
Depreciation charge for the year	1,860	1,956
Disposals	(1,611)	(933)
As at 31 December	7,689	7,440
Net carrying amount as at 31 December	3,667	3,915

The Group leases its medical clothes and quilts under its hospital services. The lease term for each hospital service contract is between one to five years renewable by agreement of the parties. The rate per hospital is based on their consumption and the future minimum lease is not practically determinable.

15 Leases

Group and Company as lessor

a) Operating lease

The Group entered into operating lease agreement in respect of a building and its improvements (Note 13). Operating lease income recognised as revenue amounted to \$613,000 (2023: \$613,000) as disclosed in Note 4 under "Distribution and Others". Security deposit to be refunded and/or to be applied to unpaid rent of the lessee upon termination of the lease as at 31 December 2024 amounted to \$74,000 (2023: \$68,000). The excess of the principal amount of the security deposit over its fair value, at the inception date of the operating lease, is presented as 'Deferred lease income'. Current and non-current portion of the deferred lease income as at 31 December are as follows:

	Group	
	2024	2023
	US\$'000	US\$'000
Deferred lease income - current	5	5
Deferred lease income - non-current	14	18
	19	23

The Group also entered into short-term lease arrangement in respect of its building and recognised operating lease income as other income amounted to \$459,000 (2023: \$369,000).

15 Leases (cont'd)

Group and Company as lessor (cont'd)

a) Operating lease (cont'd)

Future minimum rental receivable under the operating lease at the end of the reporting period are as follows:

	Group	
	2024	2023
	US\$'000	US\$'000
Within 1 year	653	640
1 - 2 years	666	653
2 - 3 years	679	666
3 - 4 years	517	679
4 - 5 years	–	517
	2,515	3,155

b) Sublease – classified as an intermediate lessor

The Company entered into a land lease agreement for a parcel of land within the Manhattan Special Economic Zone in Svay Rieng Province, Cambodia, with a related party, Manhattan International Corp. ("**MIC**") for 50 years. MIC is a company controlled by a director of the Company.

Subsequently, the Company entered into a sublease agreement with, RMPL (being the sublessee), for a lease period of 49 years, which is in line with the term of the head lease agreement entered into between the Company and MIC.

Being an intermediate lessor, the management classified the sublease agreement as a finance lease considering the substantial period of the lease term by reference to right-of-use asset arising from the head lease, rather than by reference to the land.

The Group had lost its control over RMPL following the commencement of winding up proceedings against RMPL and has deconsolidated RMPL and its subsidiaries from the Group's financial statements for the financial year (Note 16). Under the sublease agreement, RMPL's subsidiary, RMKH Glove (Cambodia) Co. Ltd. retains the right to continue leasing the land under the same terms as RMPL, should RMPL choose to terminate the lease. Management had assessed that the Group and the Company will continue to lease the land to RMKH Glove (Cambodia) Co. Ltd. under the same terms. As a result, the Group recognised net investment in lease receivable as at 31 December 2024 upon deconsolidation to reflect its continuing lease arrangement with RMKH Glove (Cambodia) Co. Ltd.

Net investment in sub-lease

	Group and Company	Company
	2024	2023
	US\$'000	US\$'000
Present value of minimum lease payments	4,621	4,544
Interest income	539	527
Payment received	(450)	(450)
As at 31 December	4,710	4,621

Medtecs International Corporation Limited and its subsidiaries

15 Leases (cont'd)

Group and Company as lessor (cont'd)

b) Sublease – classified as an intermediate lessor (cont'd)

Net investment in sub-lease (cont'd)

Lease contract receivables are due in yearly instalments broken down as follows:

	Group and Company 2024 US\$'000	Company 2023 US\$'000
Lease contract receivables:		
Within 1 year	450	450
1 - 2 years	450	450
2 - 3 years	310	450
3 - 4 years	479	310
4 - 5 years	493	479
More than 5 years	40,947	41,440
	43,129	43,579
Unearned lease income	(38,419)	(38,958)
Net investment in lease contract receivables	4,710	4,621

Amounts recognised in profit or loss

	Company 2024 US\$'000	Company 2023 US\$'000
Interest income from lease contract receivables, represented total amount recognised in profit or loss	539	527

Group and Company as lessee

The Group and the Company have entered into lease agreements in respect of land and building, with lease terms ranging from 2 to 50 years. The lease terms do not contain restrictions on the Group's activities concerning dividends, additional debts or further leasing.

The Group also has certain leases with lease terms of 12 months or less and with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

15 Leases (cont'd)

Group and Company as lessee (cont'd)

a) Right-of-use assets

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Land	3,660	8,122	46	48
Building and office	788	967	328	97
Equipment	10	20	–	–
As at 31 December	4,458	9,109	374	145

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
As at 1 January	9,109	9,903	145	261
Additions	675	258	369	–
Depreciation	(1,028)	(1,023)	(140)	(116)
Write-off	–	(16)	–	–
Deconsolidation of subsidiaries	(4,260)	–	–	–
Foreign currency exchange adjustment	(38)	(13)	–	–
As at 31 December	4,458	9,109	374	145

b) Lease liabilities

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
As at 1 January	3,044	3,910	207	316
Additions	675	258	369	–
Interest expenses (Note 8)	261	272	31	30
Payment of lease liabilities				
- principal	(715)	(1,089)	(49)	(104)
- interest	(261)	(272)	(32)	(30)
Foreign currency exchange adjustment	(77)	(19)	(10)	(5)
Written off	–	(16)	–	–
As at 31 December	2,927	3,044	516	207
Current	633	801	149	21
Non-current	2,294	2,243	367	186

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15 Leases (cont'd)

Group and Company as lessee (cont'd)

c) Amounts recognised in profit or loss

	Group	
	2024	2023
	US\$'000	US\$'000
Depreciation of right- of-use assets (Note 9)	1,028	1,023
Interest expense on lease liabilities (Note 8)	261	272
Operating lease expenses related to short term and low value leases (Note 9)	375	368
	1,664	1,663

During the financial year, the Group has total cash outflows for leases (including short-term and leases of low value assets) of \$1,351,000 (2023: \$1,729,000).

16 Investment in subsidiaries

	Company	
	2024	2023
	US\$'000	US\$'000
Unquoted equity shares, at cost	28,369	28,369
Less: Impairment loss	(1,369)	(128)
	27,000	28,241

16 Investment in subsidiaries (cont'd)

(i) The Group has the following subsidiaries as at 31 December:

Name	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Company		Carrying value of investment	
			2024 %	2023 %	2024 US\$'000	2023 US\$'000
<u>Held by the Company</u>						
Universal Weavers Corporation (UWC) ^(a)	Manufacturing and trading of woven and knitted fabrics	Philippines	100.0	100.0	5,863	5,863
Contex Corporation (CC) ^(a)	Trading of hospital textiles and garments, pillow cases, bed sheets, gowns and apparel, and subleasing activities	Philippines	98.8	98.8	1,854	1,854
Medtecs (Taiwan) Corporation (MTC) ^(b)	Manufacturing, leasing, marketing and distribution of medical consumables and provision of hospital laundry services	Republic of China	100.0	100.0	7,569	7,569
Medtex Corporation ^(a)	Manufacturing and sale of elastic bandages, garters and other garment products	Philippines	100.0	100.0	474	474
Medtecs (Cambodia) Corporation Limited (MCCL) ^(c)	Manufacturing of medical consumables and provision of procurement services	Cambodia	100.0	100.0	2,038	2,038
Medtecs (Asia Pacific) Pte. Ltd. (" MAP ") ^(d)	Sale of woven and knitted fabrics and other made-up articles of textile products	Singapore	100.0	100.0	–	1,241
Medtecs Materials Technology Corporation (MMTC) ^(a)	Manufacturing, leasing and trading of woven and knitted fabrics, other made-up articles of textile, medical and healthcare related products, and provision of hospital laundry services	Philippines	100.0	100.0	1,910	1,910
Medtecs MSEZ Corp., Ltd. (MMSEZ) ^(c)	Manufacturing of woven and non-woven fabric	Cambodia	100.0	100.0	3,370	3,370
Medtecs USA Corporation ^(g)	Manufacturing and supplying of PPE and healthcare products	United States of America (USA)	100.0	100.0	100	100
Medtecs (Far East) Limited ^(g)	Sale of woven and knitted fabrics and other made-up articles of textile products	Hong Kong Special Administrative Region	100.0	100.0	–	–
Cooper Development Limited ^(g)	Investment holding	Malaysia	100.0	100.0	3,822	3,822

Medtecs International Corporation Limited and its subsidiaries

16 Investments in subsidiaries (cont'd)

(i) The Group has the following subsidiaries as at 31 December (cont'd):

Name	Principal activities	Country of incorporation and place of business	Percentage of equity held by the Company		Cost of investment by the Company	
			2024 %	2023 %	2024 US\$'000	2023 US\$'000
<u>Held through subsidiaries</u>						
Hangzhou Jincheng Medical Supplies Manufacture Co., Ltd. (Jinchen) ^(f)	Manufacturing and trading of woven and non-woven medical consumables	People's Republic of China	100.0	100.0	–	–
Zibo Lianheng Textiles Co., Ltd. (Lianheng) ^(g)	Manufacturing and trading of woven fabrics	People's Republic of China	51.1	51.1	–	–
Zibo Liancheng Textiles & Garments Co. Ltd. ^(g)	Manufacturing and trading of woven fabrics	People's Republic of China	100.0	100.0	–	–
Resilient Medical Pte. Ltd. (RMPL) (in liquidation) ^(e)	Manufacturing and supplying of PPE and healthcare products	Singapore	–	66.7	–	–
RMKH Glove Pte. Ltd. (RMKH Glove) ^(d)	Manufacturing and supplying of PPE and healthcare products	Singapore	–	66.7	–	–
RMKH Glove (Cambodia) Co., Ltd. (RMKH Cambodia) ^(c)	Manufacturing and sale of gloves	Cambodia	–	66.7	–	–
Hangzhou Jincheng Medical Technology Co., Ltd. (Jinchen Technology) ^(f)	Sale of hygiene products, medical equipment and disposable medical supplies	People's Republic of China	100.0	100.0	–	–
					27,000	28,241

16 Investments in subsidiaries (cont'd)

(i) The Group has the following subsidiaries as at 31 December (cont'd):

- (a) Audited by Sycip, Gorres, Velayo & Co. ("SGV") (Member of Ernst & Young Global)
- (b) Audited by Ernst & Young, Taiwan
- (c) Audited by SGV for consolidation purpose
- (d) Audited by Baker Tilly TFW LLP, Singapore
- (e) Audited by Baker Tilly TFW LLP, Singapore for consolidation purpose
- (f) Audited by other accounting firms
- (g) No statutory audit is required in the country of incorporation

(ii) Interests in subsidiaries with material non-controlling interests:

	Proportion of ownership interest held by material non-controlling interests		Accumulated material non-controlling interest at end of reporting period	
	2024 %	2023 %	2024 US\$'000	2023 US\$'000
Lianheng RMPL and subsidiaries	48.9	48.9	367	367
	–	33.3	–	789

(iii) Summarised financial information of subsidiaries with material non-controlling interests

The following summarised financial information for the subsidiaries with non-controlling interests are prepared in accordance with SFRS(I)s, modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

Summarised statements of financial position

	Lianheng		RMPL and subsidiaries	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Non-current assets	–	–	–	24,170
Current assets	750	750	–	5,611
Non-current liabilities	–	–	–	(4,301)
Current liabilities	–	–	–	(22,763)
Net assets	750	750	–	2,717
Net assets attributable to NCI	367	367	–	906

Medtecs International Corporation Limited and its subsidiaries

16 Investments in subsidiaries (cont'd)

(iii) Summarised financial information of subsidiaries with material non-controlling interests (cont'd)

Summarised statements of comprehensive income

	Lianheng		RMPL and subsidiaries	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Revenue	–	–	–	999
Loss for the year, representing total comprehensive loss (net of tax)	–	–	–	(4,225)
Total comprehensive loss allocated to NCI	–	–	–	(1,427)

Summarised statements of cash flows

	Lianheng		RMPL and subsidiaries	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Cash flows from operating	–	–	–	1,661
Cash flows from investing	–	–	–	(1,864)
Cash flows from financing	–	–	–	(450)
Net decrease in cash and cash equivalents	–	–	–	(653)

(iv) Loss of control of subsidiaries

In the prior financial years, the Company had extended interest-bearing, repayable-on-demand advances to its subsidiary, RMPL for funding its construction of a manufacturing facility for disposable nitrile gloves.

On 3 December 2024, the Company issued a statutory demand to RMPL for repayment of the advances. However, RMPL failed to make payment within the required period, leading to the Company to file a winding-up application against RMPL under Section 125(1)(e) of the IRDA with the Court on 27 December 2024.

Management had assessed and concluded that the Group lost control of RMPL from date of the winding-up application i.e. 27 December 2024. As a result, the Group deconsolidated RMPL and its subsidiaries from its financial statements for the FY2024 and recognised a gain on deconsolidation of \$2,199,000.

16 Investments in subsidiaries (cont'd)

(iv) Loss of control of subsidiaries (cont'd)

	Group 2024 US\$'000
Assets	
Property, plant and equipment	18,973
Other non-current assets	14
Inventories	4,275
Trade and other receivables	1,656
Cash and cash equivalent	50
Liabilities	
Trade and other payables	(27,752)
Net liability of RMPL Group	(2,784)
Non-controlling interest	906
Derecognition of right-of-use assets (Note 15)	(4,260)
Recognition of net investment in sub-lease (Note 15)	4,710
Gain on initial recognition of net investment in lease receivable	(771)
Gain on deconsolidation (Note 5)	(2,199)
Net cash outflow from deconsolidation of subsidiaries	50

(v) Impairment assessment

Management has performed an impairment test for the investment in MMTC and MAP (manufacturing segment) as the net asset of MMTC and MAP were lower than the cost of investment.

MAP

Management had assessed that the recoverable amount of MAP is Nil because MAP is an investment holding company that solely holds an investment in RMPL which is currently under liquidation (Note 16).

Furthermore, MAP would not be entitled to any return after RMPL repays all its outstanding debts. As a result, the investment in MAP has been fully impaired and the Company recognised an impairment loss of \$1,241,000 during the financial year.

MMTC

Management had performed impairment assessment for the financial year ended 31 December 2024 and 2023. An impairment loss of \$111,000 was recognised for the financial year ended 31 December 2023 to write down this subsidiary to its recoverable amounts of \$1,910,000. The recoverable amount was determined based on value in use calculations using cash flow projections from financial budget approved by management covering a five-year period. The forecast has been updated to reflect the most recent developments as at the reporting date. During the financial year, no impairment loss was recognised.

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16 Investments in subsidiaries (cont'd)

(v) Impairment assessment (cont'd)

MMTC (cont'd)

The following assumptions were based on management's reasonable estimates:

	2024 %	2023 %
Revenue growth rates	11.7	8.0
Terminal growth rates	4.5	3.5
Pre-tax discount rates	14.6	13.4

A decrease in forecasted terminal growth rates by 1% (2023: 0.5%) would result in an additional impairment of \$5,000 (2023: \$77,000).

17 Intangible assets

	Group	
	2024 US\$'000	2023 US\$'000
Computer software	2,407	2,654
Goodwill	709	709
	3,116	3,363

Computer software

	Group	
	2024 US\$'000	2023 US\$'000
Cost		
At 1 January	2,654	139
Additions	30	2,515
At 31 December	2,684	2,654
Accumulated amortisation		
At 1 January	–	–
Amortisation charge for the year	277	–
At 31 December	277	–
Net carrying amount	2,407	2,654

17 Intangible assets (cont'd)

Goodwill

	Group	
	2024 US\$'000	2023 US\$'000
As at 1 January and 31 December	709	709

Goodwill acquired through business combinations has been allocated to the CGU, for impairment testing as follows:

	2024 US\$'000	2023 US\$'000
Manufacturing	198	198
Hospital services	511	511
	709	709

Impairment assessment

The recoverable amounts of the CGUs are determined based on the value in use calculations using cash flow projections from financial budgets approved by management covering a five-year period. For the purpose of estimating the recoverable amounts of the CGUs, management had used the following key assumptions for the cash flow projections given its existing business model and expansion of its distribution channel in China and Taiwan:

	Revenue growth rates %	Terminal growth rates %	Pre-tax discount rates %
2024			
Manufacturing	8.0	1.0	11.8
Hospital services	8.0	1.0	10.7
2023			
Manufacturing	8.0	1.0	11.8
Hospital services	8.0	1.0	11.8

Key assumptions used for value-in-use calculation

The following describes management's key assumptions on the cash flow projections to undertake impairment testing of goodwill:

Budgeted gross margins

Gross margins are based on a mix of historical margins and expected rates improvements based on management's growth strategies. These are increased over the budget period for anticipated efficiency improvements.

Revenue growth rates

The forecasted revenue growth rates are based on management's estimate of the long-term average growth relevant to the cash-generating unit.

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17 Intangible assets (cont'd)

Goodwill (cont'd)

Impairment assessment (cont'd)

Terminal growth rates

The forecasted terminal growth rates are based on published industry research and do not exceed the long term average growth rate for the industries relevant to the cash-generating unit.

Market share assumptions

Market share assumptions are important because management assesses how the cash-generating unit's position relative to its competitors might change over the budget period.

Pre-tax discount rates

Discount rates reflect management's estimate of the risks specific to each cash-generating unit. This is the benchmark used by management to assess operating performance and to evaluate future investment proposals. In determining appropriate discount rates for each cash-generating unit, reference has been given to the specific circumstances of the cash-generating units and derived from their weighted average cost of capital ("WACC"). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Group's investors. The cost of debt is based on the interest-bearing borrowings the Group is obliged to service. Risk specific to the cash-generating unit is incorporated by applying individual beta factors. The beta factors are evaluated annually based on publicly available market data.

Sensitivity to changes in assumptions

Manufacturing

If the revenue growth rates and terminal growth rates have been decreased by 1%, the estimated recoverable amount would be almost equal to the carrying amount.

Hospital services

If the terminal growth rate has been decreased by 1.6%, the estimated recoverable amount would be almost equal to the carrying amount.

18 Other non-current assets

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Investment in unquoted bond	–	3,000	–	–
Deposits	700	1,019	79	79
Guarantee deposit	–	560	–	–
Others	45	416	–	–
	745	4,995	79	79

18 Other non-current assets (cont'd)

Investment in unquoted bond

The Group had invested in unquoted government bonds from Cambodian government amounting to \$3,000,000 with a term of 3 years and interest rate of 5.5%. The investment is classified as a current asset as it will be redeemed in the next financial year.

Deposits

Deposits pertain to refundable deposits from lease agreement and utility consumption agreements, which will be refunded to the Group at the end of term of the contract.

Guarantee deposit

Guarantee deposit pertains to deposits given to hospital clients in Taiwan as guarantee to perform services during the term of the service contracts, which will be refunded to the Group at the end of the term of the contract.

Others

Others include golf club membership and other long-term investments. In 2023, the Group and the Company had written off golf membership of \$29,000 and \$20,000, respectively.

19 Inventories

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
At cost				
Goods-in-transit	134	35	–	1
Raw materials	23,420	30,074	–	–
Work-in-progress	3,109	805	–	–
Supplies and spare parts	718	830	–	–
Finished goods	17,874	20,908	554	922
	45,255	52,652	554	923
At net realisable value				
Goods-in-transit	119	35	–	1
Raw materials	12,605	23,409	–	–
Work-in-progress	3,006	502	–	–
Supplies and spare parts	265	808	–	–
Finished goods	9,549	12,605	390	344
	25,544	37,359	390	345
At lower of cost or net realisable value	25,544	37,359	390	345

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19 Inventories (cont'd)

The Group's cost of inventories charged to operations in 2024 were \$17,934,000 (2023: \$16,548,000). Inventories are stated at net realisable value ("NRV") after allowance for inventory. Movements in the allowance for inventory during the year are as follows:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
As at 1 January	15,293	15,747	578	1,913
Charge for the year	7,356	3,072	–	25
Reversal	(103)	(1,440)	(103)	–
Written off	(311)	(2,085)	(311)	(1,360)
Deconsolidation of subsidiaries	(2,517)	–	–	–
Exchange differences	(7)	(1)	–	–
As at 31 December	19,711	15,293	164	578

During the current financial year, the Group recognised an allowance for inventory amounting to \$7,356,000 (2023: \$3,072,000). In prior financial year, the Company recognised an allowance for inventory amounting to \$25,000. The allowance was arising from the slow-moving inventories and write-down of cost to its NRV.

The Group also recognised reversal of allowance for inventory amounting to \$103,000 (2023: \$1,440,000) for inventories that were provided for in prior financial year and sold during the financial year.

20 Trade receivables

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Current	10,666	20,084	173	9,980
Non-current	–	4,265	–	4,265
	10,666	24,349	173	14,245
Trade receivables				
- Manufacturing	26,798	29,800	16,396	21,866
- Hospital services	1,395	2,292	–	–
- Distribution and Others	622	812	–	–
	28,815	32,904	16,396	21,866
Less: Allowance for expected credit losses ("ECLs")	(18,149)	(8,555)	(16,223)	(7,621)
Total trade receivables	10,666	24,349	173	14,245

20 Trade receivables (cont'd)

In the prior financial year, the Group and the Company had initiated repayment plans with four debtors to settle total outstanding amounts of \$22,563,000. The repayment plans allow the debtors to settle the outstanding amounts over 1 to 6 years with market interest rate to be charged on settlement more than a year. Consequently, the Group and the Company reclassified settlement exceeding one year as non-current.

During the current financial year, management performed ECL assessment on these debtors and noted that they failed to make repayments according to the agreed repayment plans. Given that these amounts have been long outstanding for a period of 3 years to 5 years and that the debtors have not adhered to the repayment terms, management assessed that these amounts are no longer recoverable. As a result, the Group and the Company recognised an additional ECL amounting to \$8,602,000 (2023: \$6,000,000) on these balances. The net carrying amount of these balances at year end was Nil (2023: \$14,054,000)

Current trade receivables are non-interest bearing and are generally on 1 to 4 months' term. They are recognised at their original invoice amounts, which represent fair values on initial recognition.

Trade receivables denominated in foreign currencies at 31 December are as follows:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Philippine Peso	508	1,058	–	–
Renminbi	2	35	–	–
New Taiwan Dollar	1,774	2,828	–	–

Expected credit losses ("ECLs")

The movement in allowance for ECLs of trade receivables computed based on lifetime ECL are as follows:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
As at 1 January	8,555	3,794	7,621	2,738
Charge for the year	9,817	6,004	8,602	6,000
Written off	(207)	(1,117)	–	(1,117)
Reversal	(3)	(125)	–	–
Exchange differences	(13)	(1)	–	–
As at 31 December	18,149	8,555	16,223	7,621

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21 Other current assets

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Amount due from RMPL and its subsidiaries	27,050	–	26,976	–
Sundry receivables	731	672	118	59
Less: Allowance for ECLs	(2,257)	–	(2,257)	–
	25,524	672	24,837	59
Advances to suppliers	4,683	2,576	1,053	1,033
Investment in unquoted bond	3,000	–	–	–
Prepayments	737	405	160	115
Advances to employees	40	45	15	16
Tax receivables	878	729	1	–
Other deposits	936	1,960	19	9
Less: Impairment loss	(1,076)	(1,076)	(1,076)	(1,076)
	34,722	5,311	25,009	156

During the current financial year, the Group deconsolidated RMPL and its subsidiaries (Note 16) and recognised amount due from RMPL and its subsidiaries of \$27,050,000. The Company also reclassified the amount from due from subsidiaries to other current assets. Amounts due from RMPL and its subsidiaries (non-trade) pertain to advances made by the Group and the Company to RMPL for funding its construction activities, which are unsecured, interest bearing at 7% per annum and are also repayable upon demand.

Advances to suppliers are payments to suppliers for future deliveries of inventories that are to be received within a year.

The Group had invested in unquoted government bonds from Cambodian government amounting to \$3,000,000 with a term of 3 years and interest rate of 5.5%. The investment is classified as a current asset as it will be redeemed in the next financial year. The Group measured its investment in unquoted bond at amortised cost and for which the fair value is disclosed based on unobservable inputs for the quoted market prices, valuations or quotes under Level 3 of the valuation hierarchy. Details are presented under Note 32.

In 2023, the Group has written off \$90,000 of sundry receivables due to management's assessment that the aged receivables will no longer be collectible.

Other deposits include refundable deposit and amount receivable from supplier for deposits paid for purchase of property, plant and equipment which the Group expects to collect the full amount within next 12 months.

Other current assets denominated in foreign currencies at 31 December are as follows:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
New Taiwan Dollar	2,700	2,252	–	–
Renminbi	174	758	–	–
Philippine Peso	992	666	54	42
Singapore Dollar	11	1	–	–

21 Other current assets (cont'd)

Expected credit losses (“ECLs”)

The movement in allowance for ECLs of other receivables computed based on 12-month ECL are as follows:

	Group and Company 2024 US\$'000
As at 1 January	–
Charge for the year	2,257
As at 31 December	2,257

As at current financial year end, management performed ECL assessment on amount due from RMPL and its subsidiaries based on the estimated amounts expected to be received or the equivalent assets to be awarded to the Group and the Company by the liquidator for the settlement of the debt. As a result, the Group and the Company recognised an allowance for ECL amounting to \$2,257,000.

Impairment loss

The movement in allowance for impairment loss of other current assets are as follows:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
As at 1 January	1,076	254	1,076	254
Charge for the year	–	822	–	822
As at 31 December	1,076	1,076	1,076	1,076

In 2023, the Group and the Company recognised impairment loss of \$822,000, arising from specific provisions on a supplier undergoing bankruptcy proceedings, and the Company assessed that the amount will not be collectible.

22 Due from subsidiaries, net

	Company	
	2024 US\$'000	2023 US\$'000
Due from subsidiaries (trade)	27,407	25,377
Due from subsidiaries (non-trade)	–	22,466
Less: Allowance for ECL	(12,408)	(6,504)
	14,999	41,339
Due to subsidiaries (trade)	28,360	25,960
Presented as: Due (to)/from subsidiaries, net	(13,361)	15,379

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22 Due from subsidiaries, net (cont'd)

Amounts due from subsidiaries (trade) are unsecured, non-interest bearing and are payable upon demand.

Amounts due from subsidiaries (non-trade) pertain to advances made by the Company to RMPL for funding its construction activities, which are unsecured, interest bearing at 7% per annum and are also payable upon demand. During the current financial year, the Company lost control of the subsidiaries (Note 16) and the amount due from the subsidiaries was reclassified to other current assets (Note 21).

Amounts due to subsidiaries (trade) are unsecured, non-interest bearing and are payable upon demand.

Expected credit losses ("ECLs")

The movement in allowance for ECLs of amounts due from subsidiaries computed based on lifetime ECL are as follows:

	Company	
	2024	2023
	US\$'000	US\$'000
As at 1 January	6,504	–
Loss allowance measured:		
Lifetime ECL		
- <i>Credit-impaired</i>	5,904	6,504
As at 31 December	12,408	6,504

23 Cash, bank balances and fixed deposits

	Group		Company	
	2024	2023	2024	2023
	US\$'000	US\$'000	US\$'000	US\$'000
Cash in hand	41	81	1	1
Cash at bank	9,730	15,161	747	350
Fixed deposits	17,565	17,799	47	–
	27,336	33,041	795	351
Less: Fixed deposits with maturity of more than 90 days but less than a year (including pledged fixed deposits)	(10,547)	(10,736)	(47)	–
Cash and cash equivalents	16,789	22,305	748	351

Bank balances of the Group and of the Company earns interest at floating rates based on bank deposit rates.

Fixed deposits of the Group amounting to \$4,337,000 (2023: \$5,380,000) are pledged in connection with credit facilities granted by banks and short-term maturing loans. In addition, the withdrawal of such fixed deposits is subject to the banks' approval in connection with overdraft facilities, which the Group has total unused credit facilities amounting to \$9,200,000 as of 31 December 2024 (2023: \$7,800,000). The fixed deposits are denominated in US\$ and PHP and earn annual interest ranging from 3.10% to 7.00% (2023: 1.63% to 5.90%).

Interest income earned by the Group from fixed deposits amounted to \$1,292,000 (2023: \$1,139,000).

23 Cash, bank balances and fixed deposits (cont'd)

The cash and bank balances denominated in foreign currencies at 31 December are as follows:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Philippine Peso	2,385	2,944	21	32
New Taiwan Dollar	2,861	4,168	–	–
Singapore Dollar	527	538	133	137
Renminbi	767	1,019	–	–
Euros	1	8	1	1

24 Trade payables and other current liabilities

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Trade payables	2,421	2,045	69	153
<i>Other current liabilities:</i>				
Other creditors	1,127	1,365	326	395
Accrued operating expenses	2,652	2,564	214	155
Total trade and other current liabilities	6,200	5,974	609	703

Trade payables are unsecured, non-interest bearing and are payable within one year.

Amounts due to other creditors include payable to government institutions and advances from customers.

Trade payables and other current liabilities denominated in foreign currencies at 31 December are as follows:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
New Taiwan dollar	349	1,913	–	–
Renminbi	500	1,048	–	–
Philippine peso	1,353	605	102	67

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25 Loans and borrowings

	Weighted average effective interest rate (per annum) %	Maturity	Group	
			2024 US\$'000	2023 US\$'000
New Taiwan Dollar (NTD) loans				
- Unsecured	1.88	2025	2,137	2,950
- Secured	2.18	2025	17,221	20,911
Total current interest- bearing loans and borrowings			19,358	23,861

Property, plant and equipment and fixed deposits with carrying amounts of \$4,580,000 and \$4,337,000, respectively (2023: \$4,900,000 and \$5,380,000, respectively) (Notes 12 and 23) are used to secure the loans and borrowings of the Group amounting to \$17,221,000 (2023: \$20,911,000).

The loans and borrowings pertain to withdrawn amount from the revolving credit line of the Group, which are short-term in nature, have payment terms from 2 to 6 months and can be renewed upon maturity.

	Group	
	Loan Borrowings US\$'000	Accrued loan interest US\$'000
Balance at 1 January 2023	15,643	–
Changes from financing cash flows		
Proceeds from loans and borrowings	23,861	–
Repayment of loans and borrowings	(15,643)	–
Interest paid on loans and borrowings	–	(470)
Other changes		
Loan interest (Note 8)	–	470
Balance at 31 December 2023	23,861	–
Changes from financing cash flows		
Proceeds from loans and borrowings	19,358	–
Repayment of loans and borrowings	(23,861)	–
Interest paid on loans and borrowings	–	(503)
Other changes		
Loan interest (Note 8)	–	503
Balance at 31 December 2024	19,358	–

26 Share capital and treasury shares

Ordinary Shares

	Group and Company	
	2024	2023
	US\$'000	US\$'000
Authorised		
- 1,000,000,000 ordinary shares of \$0.05 each	50,000	50,000
Issued and paid up		
As at 1 January and 31 December		
- 549,411,240 ordinary shares of \$0.05 each	27,471	27,471

The Company has only one class of shares: ordinary shares of \$0.05 each, with each share carrying one vote, without restriction. The holders of ordinary shares are entitled to receive dividends as and when declared by the Company and subsequently approved by the shareholders.

Treasury Shares

Treasury shares are ordinary shares of the Company that are purchased and held by the Company and are presented as a component within shareholders' equity. As of 31 December 2024 and 2023, the Company holds 4,500,000 treasury shares, with equivalent value of \$2,361,000.

27 Foreign currency translation and other reserves

a) Foreign currency translation reserves

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency.

	Group	
	2024	2023
	US\$'000	US\$'000
At 1 January	(850)	(735)
Net effect of exchange differences arising from translation of financial statements of foreign operations	(659)	(115)
At 31 December	(1,509)	(850)

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27 Foreign currency translation and other reserves (cont'd)

b) Other reserves

	Group	
	2024 US\$'000	2023 US\$'000
Others*	394	394
	394	394

*In 2014, the Company shares were issued in consideration of the acquisition of the non-controlling interest of Medtecs (Taiwan) Corporation (MTC). The excess of the consideration over the fair value of the net assets acquired was recorded in "Other reserves" under the equity section of the statements of financial position.

28 Significant related party transactions

a) Transactions with related parties

Related parties refer to companies controlled by a director of the Company.

In addition to the related party information disclosed elsewhere in the financial statements, the following are the significant transactions between the Group and related parties that took place at terms agreed between the parties during the financial year:

	Group	
	2024 US\$'000	2023 US\$'000
Costs and expenses:		
Operating expenses from related parties	1,066	2,092

Other than the above, the Group has no other related party transactions except for the lease agreement as disclosed in Note 15.

28 Significant related party transactions (cont'd)

b) Compensation of key management personnel

Key management personnel compensation (including executive director's remuneration) comprised:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Director's fee*	214	214	212	212
Wages, salaries and bonus	606	5,104	403	5,104
Defined benefit plans and other social expenses	24	25	12	25
	844	5,343	627	5,341
Comprise directors' remunerations for executive directors of:				
- the Company	325	4,809	317	4,809
- the subsidiaries	-	-	-	-
	325	4,809	317	4,809

* Include director's fee for directors of subsidiaries amounting to \$2,000 (2023: \$2,000)

The remuneration of key management personnel are determined by the Remuneration Committee having regard to the performance of individuals and market trends.

There are no termination benefits or other long-term employee benefits granted to key management personnel in 2024 and 2023.

29 Contingent assets

On 12 November 2021, the Company engaged a legal firm to recover an advance to a supplier amounting to \$822,000. On 20 January 2022, the Company commenced an arbitral proceeding against the supplier, as it failed to make any payment to the Company. On 25 October 2022, the arbitral award was obtained in favor of the Company for a total consideration amounting to \$966,000. As of 26 February 2024, additional late payment interest amounted to \$23,500. In 2023, the additional arbitral award of \$167,500 was not recognised, as the receipt of the consideration is not virtually certain and it is dependent on the aggregate result of the enforcement of the arbitral award against the supplier.

In 2023, the Company did not receive any repayment from the supplier and as a consequence, Management had determined in the prior financial year that the amount is not recoverable and made full allowance in prior financial year as disclosed in Note 21.

During the current financial year, the Company did not receive any payment from the supplier.

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30 Group segmental reporting

Reporting format

The primary segment reporting format is determined to be business segments as the Group's risks and rates of return are affected predominantly by differences in the products and services produced. The operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Business segments

The *manufacturing segment* produces and sub-contracts a wide range of medical consumables, including patients' apparels, disposable surgical masks, boot covers and surgical gowns, underpads, adult diapers, crochet blankets, bed linens and medical bandages. These medical consumables are supplied to large medical multinational corporation distributors, pharmaceutical companies and hospital groups in the USA and Europe.

The *hospital services segment* provides laundry and leasing services to various hospitals that are outsourcing its non-critical functions.

The *distribution and others segment* is involved in the marketing of Medtecs-branded medical consumables to hospitals, pharmacies and other end users in Asia Pacific and through online channels. The Group also leverages on its distribution network to market other branded medical supplies and equipment such as wheel chairs, syringes, nebulizers and blood pressure monitors.

Geographical segments

The Group's geographical segments are based on the location of the Group's assets. Sales to external customers disclosed in geographical segments are based on the geographical location of its customers.

Allocation basis

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly corporate assets, income tax and deferred tax assets and liabilities, loans and borrowings and related expenses. Segment revenue, expenses and results include transfers between business segments. These transfers are eliminated upon consolidation.

30 Group segmental reporting (cont'd)

a) Business segments

The following table presents revenue, results and other information, assets, liabilities and other segment information regarding the Group's business segments for the years ended 31 December 2024 and 2023:

	Manufacturing US\$'000	Hospital services US\$'000	Distribution and others US\$'000	Group US\$'000
2024				
<i>Revenue</i>				
Third parties	36,477	15,174	2,772	54,423
Intersegment sales	24,685	–	–	24,685
Total revenue	61,162	15,174	2,772	79,108
Eliminations	(24,685)	–	–	(24,685)
	36,477	15,174	2,772	54,423
Results	(25,366)	1,720	(457)	(24,103)
Financial expenses				(794)
Financial income				1,457
Tax expense				(509)
Net loss for the year				(23,949)
Total assets	121,134	11,991	4,842	137,967
Total liabilities	30,964	341	10	31,315
<i>Other segment information:</i>				
Capital expenditure	1,199	2,154	–	3,353
Depreciation and amortisation	4,999	2,442	111	7,552
Allowance for write down of inventory	7,280	–	76	7,356
Allowance for ECL on receivables	12,074	–	–	12,074
Allowance for impairment loss on property, plant and equipment	138	–	–	138
Gain on deconsolidation of subsidiaries	(2,199)	–	–	(2,199)
Other non-cash expenses - net	(757)	–	–	(757)

Medtecs International Corporation Limited and its subsidiaries

30 Group segmental reporting (cont'd)

a) Business segments (cont'd)

The following table presents revenue, results and other information, assets, liabilities and other segment information regarding the Group's business segments for the years ended 31 December 2024 and 2023 (cont'd):

	Manufacturing US\$'000	Hospital services US\$'000	Distribution and others US\$'000	Group US\$'000
2023				
<i>Revenue</i>				
Third parties	34,558	14,544	3,537	52,639
Intersegment sales	7,481	–	–	7,481
<hr/>				
Total revenue	42,039	14,544	3,537	60,120
Eliminations	(7,481)	–	–	(7,481)
<hr/>				
	34,558	14,544	3,537	52,639
<hr/>				
Results	(23,516)	731	(218)	(23,003)
<hr/>				
Financial expenses				(816)
Financial income				1,304
Tax credit				27
<hr/>				
Net loss for the year				(22,488)
<hr/>				
Total assets	147,180	13,951	5,636	166,767
<hr/>				
Total liabilities	36,056	401	2	36,459
<hr/>				
<i>Other segment information:</i>				
Capital expenditure	5,900	1,203	304	7,407
Depreciation and amortisation	4,513	2,584	112	7,209
Allowance for inventory losses	3,072	–	–	3,072
Allowance for ECL on receivables	6,000	4	–	6,004
Allowance for impairment loss on other current assets	822	–	–	822
Allowance for impairment loss on property, plant and equipment	2,000	–	–	2,000
Other non-cash expenses - net	(503)	–	–	(503)
<hr/>				

30 Group segmental reporting (cont'd)

b) Geographical information

Significant revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Sales to external customers		Non-current assets	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Singapore	–	–	3	689
Philippines	3,483	5,342	9,579	10,169
Cambodia	–	–	15,635	41,132
Taiwan	16,346	16,560	11,482	15,442
China	–	–	935	1,407
Luxembourg	18,650	15,075	–	–
United State of America	7,699	8,487	–	–
United Kingdom	6,153	4,956	–	–
Others	2,092	2,219	–	–
	54,423	52,639	37,634	68,839

31 Financial instruments

a) Categories of financial instruments

Financial instruments as at the end of the reporting period are as follows:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
<i>Financial assets</i>				
At amortised costs	72,912	64,596	45,604	56,047
Financial assets at fair value through profit or loss	–	416	–	–
	72,912	65,012	45,604	56,047
<i>Financial liabilities</i>				
At amortised cost	28,424	32,827	29,477	26,859

b) Financial risk management objectives and policies

The Group and the Company are exposed to financial risks arising from their operations and the use of financial instruments. The key financial risks include interest rate risk, liquidity risk, foreign currency risk, and credit risk. The Group's overall risk management strategy seeks to minimise adverse effects from these financial risks on the Group's financial performance.

The directors review and agree policies and procedures for managing each of these risks and they are summarised below.

Medtecs International Corporation Limited and its subsidiaries

31 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Interest rate risk

The Group's and the Company's exposure to interest rate risk arises primarily from loans and borrowings. Loans and borrowings at variable rates expose the Group to cash flow interest rate risk (i.e. the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates). Loans and borrowings at fixed rates expose the Group to insignificant fair value interest rate risk as the maturity is within a year.

The following tables set out the carrying amounts of the Group's and the Company's financial instruments that are exposed to interest rate risk:

	Group		Company	
	2024 US\$'000	2023 US\$'000	2024 US\$'000	2023 US\$'000
Fixed rate				
Fixed deposits	17,565	17,799	–	–
Floating rate				
Loans and borrowings	(19,358)	(23,861)	–	–

Sensitivity analysis for interest rate risk

The sensitivity analysis below have been determined based on the exposure to interest rates for borrowings at the balance sheet date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of borrowings that have floating rates.

If the interest rates increase/decrease by 50 (2023: 50) basis points with all other variables including tax rate being held constant, the loss after tax of the Group will be higher/lower by \$19,000 (2023: \$24,000) as a result of higher/lower interest expense on these borrowings.

Liquidity risk

Liquidity risk is the risk that the Group or the Company will encounter difficulty in meeting financial obligations due to shortage of funds. The Group's and the Company's exposure to liquidity risk arises primarily from mismatches of financial assets and liabilities.

In the management of liquidity risk, the Group monitors and maintains a level of cash and bank balances deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. The Group's and the Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings.

31 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Liquidity risk (cont'd)

The table summarises the maturity profile of the Group's and Company's financial liabilities at the end of the reporting period based on contractual repayment obligations:

	Total carrying value US\$'000	1 year or less US\$'000	1 to 5 year US\$'000	Over 5 years US\$'000	Total US\$'000
Group					
2024					
Loans and borrowings	19,358	19,772	–	–	19,772
Trade payables and other current liabilities ⁽¹⁾	6,139	6,139	–	–	6,139
Lease liabilities	2,927	685	1,411	10,014	12,110
	28,424	26,596	1,411	10,014	38,021
2023					
Loans and borrowings	23,861	24,362	–	–	24,362
Trade payables and other current liabilities ⁽¹⁾	5,922	5,922	–	–	5,922
Lease liabilities	3,044	687	1,370	10,569	12,626
	32,827	30,971	1,370	10,569	42,910
Company					
2024					
Trade payables and other current liabilities ⁽¹⁾	601	601	–	–	601
Due to subsidiaries	28,360	28,360	–	–	28,360
Lease liabilities	516	149	317	651	1,117
	29,477	29,110	317	651	30,078
2023					
Trade payables and other current liabilities ⁽¹⁾	692	692	–	–	692
Due to subsidiaries	25,960	25,960	–	–	25,960
Lease liabilities	207	21	112	706	839
	26,859	26,673	112	706	27,491

(1) Excluding tax payables to government institutions.

Medtecs International Corporation Limited and its subsidiaries

31 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Foreign currency risk

The Group has foreign currency exposures arising from sales or purchases, assets and liabilities that are denominated in a currency other than the respective functional currencies of the Group entities, primarily, United States Dollar (USD) and Philippine Peso (PHP). The foreign currencies in which these transactions are denominated are mainly USD. Approximately 35% (2023: 36%) of the Group's sales are denominated in foreign currencies whilst almost 35% (2023: 36%) of costs are denominated in the respective functional currencies of the Group entities. The Group's trade receivables and trade payable balances at the end of the reporting period have similar exposures.

The Group and the Company also hold cash and fixed deposits denominated in foreign currencies for working capital purposes. At the end of the reporting period, such foreign currency balances are mainly in PHP and USD.

Sensitivity analysis for foreign currency risk

The following table demonstrates the sensitivity of the Group's profit/(loss) before tax to a reasonably possible change in the PHP and USD exchange rates, with all other variables held constant. The reasonably possible change was computed based on management assessment:

	Group	
	2024	2023
	Effect on profit/(loss) before tax	Effect on profit/(loss) before tax
PHP		
Strengthened 4.5% (2023: 0.7%)	7	21
Weakened 4.5% (2023: 0.7%)	(7)	(21)
USD		
Strengthened 7.3% (2023: 0.6%)	1,335	194
Weakened 7.3% (2023: 0.6%)	(1,335)	(194)

Changes in exchange rate for Company is not disclosed as it is immaterial.

31 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligations.

The Group's objective is to seek continual revenue growth while minimising losses incurred due to increased credit risk exposure. The Group trades only with recognised and credit-worthy third parties. It is the Group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the Group's exposure to bad debts is not significant. For transactions that are not denominated in the functional currency of the relevant operating unit, the Group does not offer credit terms without the specific approval of the CEO.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and bank balances and other receivables (including related party balances), the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these financial instruments.

The following sets out the Group's internal credit evaluation practices and basis for recognition and measurement of expected credit losses (ECL):

Description of evaluation of financial assets	Basis for recognition and measurement of ECL
Counterparty has a low risk of default and does not have any past due amounts	12-month ECL
Contractual payments are more than 30 days past due or where there has been a significant increase in credit risk since initial recognition	Lifetime ECL - not credit-impaired
Contractual payments are more than 90 days past due or there is evidence of credit impairment	Lifetime ECL - credit-impaired
There is evidence indicating that the Group has no reasonable expectation of recovery of payments such as when the debtor has been placed under liquidation or has entered into bankruptcy proceedings.	Write-off

Significant increase in credit risk

In assessing whether the credit risk on a financial asset has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of a default occurring on the financial asset as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information, such as future economic and industry outlook, that is available without undue cost or effort.

31 Financial instruments (cont'd)**b) Financial risk management objectives and policies (cont'd)*****Credit risk (cont'd)****Definition of default*

The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred such as evidence that the borrower is in significant financial difficulty, there is a breach of contract such as default or past due event; there is information that it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for that financial asset because of financial difficulties; or the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

Estimation techniques and significant assumptions

There has been no change in the estimation techniques or significant assumptions made during the current financial year for recognition and measurement of credit loss allowances.

Trade receivables

The Group and the Company assesses the credit risk of trade receivables based on internal credit ratings assigned to customers. The credit rating is determined considering customers' financial strength, historical payment behavior, and external credit reports where available. Trade receivables are segmented into the following categories:

High Credit Quality – Customers with strong payment history, minimal risk of default and the balances are not individually significant to the Group and the Company.

Low Credit Quality – Customers with significant past due balances or weakened financial conditions and are individually significant to the Group and the Company.

For high credit quality customers, the Group and the Company provides for lifetime expected credit losses using a provision matrix. The loss rates are determined based on the Group's historical observed default rates analysed in accordance to months past due. The loss allowance also incorporated forward looking information such as forecast of economic conditions.

31 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Trade receivables (cont'd)

Summarised below is the information about the credit risk exposure on the Group and the Company's trade receivables using provision matrix.

	Current	> 1	> 2	> 3	> 4	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Group						
2024						
Gross carrying amount	8,102	887	641	792	655	11,077
Allowance for expected credit losses	(487)	(34)	(22)	(7)	(120)	(670)
	7,615	853	619	785	535	10,407
2023						
Gross carrying amount	8,263	691	147	57	362	9,520
Allowance for expected credit losses	–	–	–	–	(122)	(122)
	8,263	691	147	57	240	9,398
Company						
2024						
Gross carrying amount	165	–	–	–	8	173
Allowance for expected credit losses	–	–	–	–	–	–
	165	–	–	–	8	173
2023						
Gross carrying amount	184	–	–	–	7	191
Allowance for expected credit losses	–	–	–	–	–	–
	184	–	–	–	7	191

Medtecs International Corporation Limited and its subsidiaries

31 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Trade receivables (cont'd)

For low credit quality customers, the Group and the Company performs individual assessments of expected credit losses based on debtors' payment history, adjusted as appropriate for current conditions and forward-looking factors specific to the debtors and the economic environment.

	Group US\$'000	Company US\$'000
2024		
Gross trade receivables	17,738	16,223
Loss allowance	17,479	16,223
2023		
Gross trade receivables	23,384	21,675
Loss allowance	8,433	7,621

Credit risk concentration profile

The Group determines concentration of credit risk by monitoring the country and industry sector profile of its trade receivables on an on-going basis. The credit risk concentration profile of the Group's trade receivables at end of the reporting period is as follows:

	Group			
	2024 US\$'000	% of total	2023 US\$'000	% of total
By region:				
North America	1,364	13	1,708	7
Europe	5,715	53	4,382	18
Asia Pacific	3,587	34	18,259	75
	10,666	100	24,349	100
By segment:				
Manufacturing	8,667	82	21,267	87
Hospital services	1,394	13	2,288	10
Distribution and others	605	5	794	3
	10,666	100	24,349	100

At the end of the reporting period, approximately \$5,424,000 (2023: \$4,500,000) of the Group's trade receivables were due from three major customers located in North America and Europe, representing 51% (2023: 18%) of trade receivables.

31 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Credit quality

The table below details the credit quality of the Group's financial assets (other than trade receivables):

	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
2024				
Investment in unquoted bond	12-month ECL	3,000	–	3,000
Other non-current assets	12-month ECL	745	–	745
Net investment in lease receivable	12-month ECL	4,710	–	4,710
Amount due from RMPL and its subsidiaries	Lifetime ECL	27,050	(2,257)	24,793
Other current assets	12-month ECL	1,707	–	1,707
Cash and bank balances and fixed deposits with financial institutions	N.A. Exposure Limited	27,336	–	27,336

	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
2023				
Investment in unquoted bond	12-month ECL	3,000	–	3,000
Other non-current assets	12-month ECL	1,995	–	1,995
Other current assets	12-month ECL	2,677	–	2,677
Cash and bank balances and fixed deposits with financial institutions	N.A. Exposure Limited	33,041	–	33,041

Medtecs International Corporation Limited and its subsidiaries

31 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Credit quality (cont'd)

The table below details the credit quality of the Company's financial assets (other than trade receivables):

2024	12-month or lifetime ECL	Gross carrying amount US\$'000	Loss allowance US\$'000	Net carrying amount US\$'000
Other non- current assets	12-month ECL	79	–	79
Other current assets	12-month ECL	129	–	129
Due from subsidiaries	12-month ECL	14,999	–	14,999
Due from subsidiaries	Lifetime ECL	12,408	(12,408)	–
Amount due from RMPL and its subsidiaries	Lifetime ECL	26,976	(2,257)	24,719
Net investment in lease receivable	12-month ECL	4,710	–	4,710
Cash and bank balances and fixed deposits with financial institutions	N.A. Exposure Limited	795	–	795
2023				
Other current assets	12-month ECL	156	–	156
Due from subsidiaries	12-month ECL	34,835	–	34,835
Due from a subsidiary	Lifetime ECL	6,504	(6,504)	–
Net investment in lease receivable	12-month ECL	4,621	–	4,621
Cash and bank balances and fixed deposits with financial institutions	N.A. Exposure Limited	351	–	351

31 Financial instruments (cont'd)

b) Financial risk management objectives and policies (cont'd)

Credit risk (cont'd)

Credit quality (cont'd)

The credit quality of the Group's financial assets that are neither past due nor impaired are considered to be of high grade quality and expected to be collectible without incurring any credit losses. High grade financial assets are those financial assets whose realisability is assured.

Financial assets (including sundry debtors and deposits) that are neither past due nor impaired are due from creditworthy debtors with good payment record with the Group. Cash and cash equivalents and fixed deposits are entered into with reputable financial institutions duly approved by the directors.

32 Fair value of assets and liabilities

Fair value hierarchy

The Group categorises fair value measurement using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date.

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments whose carrying amounts approximate fair values

Management has determined that the carrying amounts of cash and cash equivalents, fixed deposits, due from subsidiaries, trade receivables, other current assets, trade payables and other current liabilities and bank loans based on their notional amounts, reasonably approximate their fair values because these are mostly short-term in nature or are repriced frequently.

Assets and Liabilities measured at fair value and for which fair values are disclosed

The following table provides the fair value measurement hierarchy of the Group's assets. The Group has no liabilities which are measured at fair value nor which fair values are disclosed in the financial statements as at 31 December 2024 and 2023.

Medtecs International Corporation Limited and its subsidiaries

32 Fair value of assets and liabilities (cont'd)

Fair value measurement hierarchy for assets as at 31 December 2023 and 2022:

2024	Date of valuation	Fair value measurement using			
		Total \$'000	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Assets for which fair values are disclosed					
Investment property (Note 13)	31 December 2024	3,757	–	–	3,757
Investment in unquoted bonds (Note 18)	31 December 2024	3,000	–	–	3,000
2023					
Assets for which fair values are disclosed					
Investment property (Note 13)	20 December 2023	3,757	–	–	3,757
Investment in unquoted bonds (Note 18)	31 December 2023	3,135	–	–	3,135

There has been no transfer between Level 1 and Level 2 and no transfer into or out of Level 3 during the financial years ended 31 December 2024 and 2023.

Determination of fair value

Investment property

Investment property is valued by independent valuer using income approach by reviewing discounted cash flows of future rent to be earned over the useful lives of the property. Significant input used in this valuation is determination of discount rate which include evaluating market risk premium, management risk and liquidity risk. A significant increase/(decrease) in the discount rate would result in a significantly higher/(lower) fair value measurement.

Investment in unquoted bonds

Fair value of investment in unquoted bonds is measured based on current market interest rate of 4.50%.

33 Capital management

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value.

The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the years ended 31 December 2024 and 2023.

33 Capital management (cont'd)

The Group monitors capital using a gearing ratio, which is net debt divided by the sum of total capital and net debt. The Group's policy is to keep the gearing ratio below 60.0%. The Group includes within net debt, loans and borrowings, trade payables and other current liabilities, less cash and bank balances and fixed deposits. Capital includes equity attributable to the equity holders of the Company.

	Group	
	2024	2023
	US\$'000	US\$'000
Loans and borrowings	19,358	23,861
Trade payables and other current liabilities	6,200	5,974
Less: Cash and cash equivalents and fixed deposits	(27,336)	(33,041)
	(1,778)	(3,206)
Equity attributable to the equity holders of the Company	106,169	129,204
Capital and net debt	104,391	125,998
Gearing ratio	(1.7%)	(2.5%)

34 Authorisation of financial statements

The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 December 2024 were authorised for issue in accordance with a resolution of the directors dated 11 April 2025.



MEDTECS

Medtecs International Corporation Limited



MEDTECS INTERNATIONAL CORPORATION LIMITED



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