



MEDTECS INTERNATIONAL CORPORATION LIMITED

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Full Year Financial Statements

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

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

CONDENSED STATEMENTS OF INCOME		Group		
		US\$'000		%
		Latest Year 31 Dec 2022 Unaudited	Previous Year 31 Dec 2021 Audited	Increase/ (Decrease)
Revenue	Note 1	56,882	144,155	(60.5)
Costs of sales and services		(59,146)	(102,121)	(42.1)
Gross (loss)/profit	Note 1	(2,264)	42,034	(105.4)
Other items of income				
Other operating income, net		1,645	1,764	(6.7)
Financial income		867	33	2,527.3
Other items of expense				
Distribution and selling expenses		(11,965)	(12,177)	(1.7)
Administrative expenses		(18,183)	(13,845)	31.3
Financial expenses		(1,037)	(891)	16.4
(Loss)/profit before tax		(30,937)	16,918	(282.9)
Income tax benefit/(expense)		1,857	(408)	(555.1)
Net (loss)/profit for the period		(29,080)	16,510	(276.1)
Attributable to:				
Equity holders of the Company		(28,532)	17,342	(264.5)
Non-controlling interests		(548)	(832)	(34.1)
Net (loss)/profit for the period		(29,080)	16,510	(276.1)

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

			US\$'000	
			Latest Year 2022 Unaudited	Previous Year 2021 Audited
Depreciation			3,566	3,678
Amortization of:				
Assets held for leasing			1,988	2,136
Right-of-use assets			1,104	819
Provision for:				
Inventory losses	Note 1		11,479	3,000
Expected credit losses on receivables	Note 5		1,967	19
Foreign exchange gains			802	25
Interest expense			906	858
Other finance cost			131	33
Interest income			(604)	(33)
Dividend income			(263)	–
Movement of pension benefit obligation			(16)	48

CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

				Group		
				US\$'000	%	
				Latest Year 2022 Unaudited	Previous Year 2021 Audited	Increase/ (Decrease)
(Loss)/profit after tax			(29,080)	16,510	(276.1)	
Exchange difference on translation of foreign operations			(3,000)	(835)	259.3	
Unrealized loss on financial assets at fair value through other comprehensive income (FAFVOCI)			(375)	–	100.0	
Actuarial gains			245	194	26.3	
Total comprehensive (loss)/income			(32,210)	15,869	(303.0)	
Attributable to:						
Equity holders of the Company			(31,662)	16,701	(289.6)	
Non-controlling interests			(548)	(832)	34.1	
Total comprehensive (loss)/income			(32,210)	15,869	(303.0)	

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

CONDENSED BALANCE SHEETS

		Group US\$'000		Company US\$'000	
		31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
ASSETS					
Non-current assets					
Property, plant and equipment	Note 2	46,503	32,110	192	184
Investment properties		2,617	2,728	–	–
Assets held for leasing		4,117	4,452	–	–
Right-of-use of asset		9,883	8,386	4,701	380
Investment in subsidiaries		–	–	28,352	28,353
Goodwill		709	709	–	–
Deferred tax assets		2,544	33	11	12
Other non-current assets	Note 3	8,477	3,787	124	113
		<u>74,850</u>	<u>52,205</u>	<u>33,380</u>	<u>29,042</u>
Current assets					
Inventories	Note 4	36,394	49,660	3,365	2,390
Trade receivables	Note 5	32,641	42,347	27,490	25,785
Other current assets	Note 5	7,354	13,072	5,739	7,672
Due from subsidiaries (trade)		–	–	13,784	20,518
Fixed deposits	Note 6	21,721	9,275	–	–
Cash and bank balances		13,536	49,015	3,366	15,711
		<u>111,646</u>	<u>163,369</u>	<u>53,744</u>	<u>72,076</u>
TOTAL ASSETS		<u>186,496</u>	<u>215,574</u>	<u>87,124</u>	<u>101,118</u>

EQUITY AND LIABILITIES

	Group US\$'000		Company US\$'000	
	31 Dec 2022	31 Dec 2021	31 Dec 2022	31 Dec 2021
Current liabilities				
Trade payables and other current liabilities	11,354	8,753	3,272	1,621
Bank loans	Note 7 15,643	9,306	–	–
Income tax payable	2,471	2,567	4	–
	<u>29,468</u>	<u>20,626</u>	<u>3,276</u>	<u>1,621</u>
NET CURRENT ASSETS	82,178	142,743	50,468	70,455
Non-current liabilities				
Lease liability	3,195	5,791	358	337
Deferred tax liabilities	312	147	–	–
Other non-current liabilities	842	1,103	167	240
	<u>4,349</u>	<u>7,041</u>	<u>525</u>	<u>577</u>
TOTAL LIABILITIES	<u>33,817</u>	<u>27,667</u>	<u>3,801</u>	<u>2,198</u>
NET ASSETS	<u>152,679</u>	<u>187,907</u>	<u>83,323</u>	<u>98,920</u>
Equity attributable to equity holders of the Company				
Share capital	27,471	27,471	27,471	27,471
Share premium	4,721	4,721	4,721	4,721
Actuarial gains	297	52	105	49
Foreign currency translation reserve	(603)	2,397	–	–
Other reserves	19	394	561	561
Revenue reserves	120,490	152,291	52,826	68,230
Less: Treasury shares	(2,361)	(2,112)	(2,361)	(2,112)
	<u>150,034</u>	<u>185,214</u>	<u>83,323</u>	<u>98,920</u>
Non-controlling interests	<u>2,645</u>	<u>2,693</u>	<u>–</u>	<u>–</u>
Total equity	<u>152,679</u>	<u>187,907</u>	<u>83,323</u>	<u>98,920</u>
TOTAL EQUITY AND LIABILITIES	<u>186,496</u>	<u>215,574</u>	<u>87,124</u>	<u>101,118</u>

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

Note 1 Decrease in Revenue and Gross Profit is due to lower global demand and decline in global market prices for Personal Protective Equipment (“PPE”) and facemasks, leading to recognition of provision for inventory losses.

Note 2 Increase in Property, Plant and Equipment is mainly due to the completion of the new glove production plant constructed in Cambodia.

Note 3 Increase in Other Non-Current Assets is primarily due to the acquisition of bonds in Cambodia amounting to US\$3.0 million and increase in investment of financial assets held in Taiwan by US\$1.4 million, net of any valuation adjustments taken to other comprehensive income, for financial income investment.

Note 4 Decrease in Inventories is primarily due to the recognition of provision for inventory losses amounting to US\$11.5 million following the decline in global market prices of PPE and facemasks.

Note 5 Decrease in Trade Receivables and Other Current Assets are mostly related to collections from customers of the Group and recognition of provision for expected credit losses.

Note 6 Increase in Fixed Deposits is due to new bank deposit placements for both financial income earnings and restricted bank deposits for loan borrowings.

Note 7 Increase in Bank Loans is due to additional borrowings for capital expenditures and working capital requirements.

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

Amount repayable in one year or less, or on demand

As at 31 December 2022 US\$'000			As at 31 December 2021 US\$'000		
Secured	Unsecured	Total	Secured	Unsecured	Total
14,665	978	15,643	5,417	3,889	9,306

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

CONDENSED STATEMENTS OF CASH FLOWS

Group US\$'000	
Latest Year 2022 Unaudited	Previous Year 2021 Audited

OPERATING ACTIVITIES

(Loss)/profit before tax	(30,937)	16,918
Adjustments for:		
Depreciation	3,566	3,678
Amortization of:		
Assets held for leasing	1,988	2,136
Right-of-use assets	1,104	819
Provision for:		
Inventory losses	11,479	3,000
Expected credit losses on receivables	1,967	19
Financial expense	906	858
Other finance costs	131	33
Net changes in pension benefit obligation	(16)	48
Dividend income	(263)	–
Interest income	(604)	(33)
Gain on disposal of property, plant and equipment	(165)	(58)
Operating cash flows before working capital changes	(10,844)	27,370
Decrease/(increase) in:		
Other current assets	2,546	2,661
Trade receivables	7,087	6,647
Inventories	733	640
Fixed deposits	(12,446)	(4,097)
Increase/(decrease) in:		
Deferred lease income	–	(9)
Trade payables and other current liabilities	1,202	(2,850)
Net cash (used in)/generated from operations	(11,722)	30,410
Income taxes paid	(585)	(650)
Other finance costs paid	(131)	(33)
Net cash (used in)/generated from operating activities	(12,348)	29,727

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

Group US\$'000	
Latest Year 2022 Unaudited	Previous Year 2021 Audited

INVESTING ACTIVITIES

Purchases of:

Property, plant and equipment	(13,986)	(14,094)
Assets held for leasing	(1,675)	(2,280)
Increase in right-of-use assets	(4,930)	–
(Increase)/decrease in other non-current assets	(5,065)	830
Proceeds from disposal of:		
Property, plant and equipment	180	72
Assets held for leasing	22	50
Interest received	604	33
Dividends received	263	–
Net cash used in investing activities	(24,587)	(15,389)

FINANCING ACTIVITIES

Proceed from/(payment of) short-term bank loans – net	6,337	(22,297)
Payment of term loans – net	–	(1,478)
Interest paid	(423)	(408)
Principal payment of lease liabilities	(1,350)	(849)
Cash dividends paid	(3,269)	(22,840)
Purchase of treasury shares	(249)	(2,112)
Minority investment	500	2,500
Net cash generated from/(used in) financing activities	1,546	(47,484)
Net decrease in cash and bank balances	(35,479)	(33,146)
Cash and bank balances at beginning of period	49,015	82,161
Cash and bank balances at end of period	13,536	49,015

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

CONDENSED STATEMENTS OF CHANGES IN EQUITY

Group

US\$'000										
Attributed to equity holders of the Group										
Share capital	Share Premium	Actuarial gains (losses)	Translation Reserves	Revenue reserves	Other reserves	Total Reserves	Treasury shares	Non-controlling interests	Total equity	
Balance at 1 January 2021	27,471	4,721	(142)	3,232	157,789	394	161,415	–	1,025	194,490
Net income/(loss) for the year	–	–	–	–	17,342	–	17,342	–	(832)	16,510
<u>Other comprehensive income for the year</u>										
Foreign currency translation reserves	–	–	–	(835)	–	–	(835)	–	–	(835)
Actuarial gains	–	–	194	–	–	–	–	–	–	194
Other comprehensive income/(loss) for the year			194	(835)	–	–	(835)	–	–	(641)
Total comprehensive income/(loss) for the year	–	–	194	(835)	17,342	–	16,507	–	(832)	15,869
Purchase of treasury shares	–	–	–	–	–	–	–	(2,112)	–	(2,112)
Minority investment	–	–	–	–	–	–	–	–	2,500	2,500
Cash dividends	–	–	–	–	(22,840)	–	(22,840)	–	–	(22,840)
Balance at 31 December 2021	27,471	4,721	52	2,397	152,291	394	155,082	(2,112)	2,693	187,907

US\$'000										
Attributed to equity holders of the Group										
Share capital	Share Premium	Actuarial gains	Translation Reserves	Revenue reserves	Other reserves	Total reserves	Treasury shares	Non-controlling interests	Total equity	
Balance at 31 December 2021 and 1 January 2022	27,471	4,721	52	2,397	152,291	394	155,082	(2,112)	2,693	187,907
Net loss for the year	–	–	–	–	(28,532)	–	(28,532)	–	(548)	(29,080)
<u>Other comprehensive income for the year</u>										
Foreign currency translation reserves	–	–	–	(3,000)	–	–	(3,000)	–	–	(3,000)
Unrealized losses on FAFVOCI	–	–	–	–	–	(375)	(375)	–	–	(375)
Actuarial gains	–	–	245	–	–	–	–	–	–	245
Other comprehensive income/(loss) for the year	–	–	245	(3,000)	–	(375)	(3,375)	–	–	(3,130)
Total comprehensive income/(loss) for the year	–	–	245	(3,000)	(28,532)	(375)	(31,907)	–	(548)	(32,210)
Purchase of treasury shares	–	–	–	–	–	–	–	(249)	–	(249)
Minority investment	–	–	–	–	–	–	–	–	500	500
Cash dividends	–	–	–	–	(3,269)	–	(3,269)	–	–	(3,269)
Balance at 31 December 2022	27,471	4,721	297	(603)	120,490	19	119,906	(2,361)	2,645	152,679

Company

	US\$'000							
	Attributed to equity holders of the Company							
	Share capital	Share premium	Actuarial Gain on Retirement	Revenue reserves	Other reserves	Total reserves	Treasury shares	Total equity
Balance at 1 January 2021	27,471	4,721	11	74,340	561	74,901	–	107,104
Net income for the year	–	–	–	16,730	–	16,730	–	16,730
Other comprehensive income for the year	–	–	38	–	–	–	–	38
Total comprehensive income for the year	–	–	38	16,730	–	16,730	–	16,768
Purchase of treasury shares	–	–	–	–	–	–	(2,112)	(2,112)
Cash dividends	–	–	–	(22,840)	–	(22,840)	–	(22,840)
Balance at 31 December 2021 and 1 January 2022	27,471	4,721	49	68,230	561	68,791	(2,112)	98,920
Net loss for the year	–	–	–	(12,135)	–	(12,135)	–	(12,135)
Other comprehensive income for the year	–	–	56	–	–	–	–	56
Total comprehensive income/(loss) for the year	–	–	56	(12,135)	–	(12,135)	–	(12,079)
Purchase of treasury shares	–	–	–	–	–	–	(249)	(249)
Cash dividends	–	–	–	(3,269)	–	(3,269)	–	(3,269)
Balance at 31 December 2022	27,471	4,721	105	52,826	561	53,387	(2,361)	83,323

NOTES TO THE CONDENSED 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. In 2022, the principal place of business of the Company changed to 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.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

2.1 Basis of preparation

The condensed financial statements of the Company and its subsidiaries (collectively, the “Group”) have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). The condensed financial statements of the Group for the financial year ended 31 December 2022 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements for the year ended 31 December 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.2.

The condensed 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.

2.2 New and amended standards adopted by the Group

The following amendments to SFRS(I) below have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

<i>Description</i>	<i>Effective for annual periods beginning on or after</i>
Amendments to SFRS(I) 3 Business Combinations: Reference to the Conceptual Framework	1 January 2022
Amendments to SFRS(I) 1-16 Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022
Amendments to SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts—Cost of Fulfilling a Contract	1 January 2022
Annual Improvements to SFRS(I)s 2018-2020	1 January 2022

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES (continued)

2.3 Use of judgments and estimates

In preparing the condensed financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2021.

3. SEGMENT AND REVENUE INFORMATION

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 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.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

3. SEGMENT AND REVENUE INFORMATION (continued)

(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 financial years ended 31 December 2022 and 2021.

31 December 2022	Manufacturing US\$'000	Hospital services US\$'000	Distribution and others US\$'000	Group US\$'000
Revenue	35,995	14,312	6,575	56,882
Results	(30,992)	404	(179)	(30,767)
Financial expenses				(1,037)
Financial income				867
Income tax benefit				1,857
Net loss for the year				(29,080)
Total assets	168,165	15,354	2,977	186,496
Total liabilities	33,412	339	66	33,817
<i>Other segment information:</i>				
Capital expenditure	12,235	1,751	–	13,986
Depreciation and amortization	4,011	2,536	111	6,658
Provision for inventory obsolescence	10,715	–	764	11,479
Provision for expected credit losses	1,967	–	–	1,967
Other non-cash expenses - net	302	–	–	302

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

3. SEGMENT AND REVENUE INFORMATION (continued)

(a) Business segments (continued)

31 December 2021

	Manufacturing US\$'000	Hospital services US\$'000	Distribution and others US\$'000	Group US\$'000
Revenue	117,937	14,971	11,247	144,155
Results	14,683	413	2,680	17,776
Financial expenses				(891)
Financial income				33
Income tax expense				(408)
Net profit for the year				16,510
Total assets	196,393	15,047	4,134	215,574
Total liabilities	27,376	234	57	27,667
<i>Other segment information:</i>				
Capital expenditure	12,328	1,766	–	14,094
Depreciation and amortization	4,355	2,136	111	6,602
Provision for inventory obsolescence	3,000	–	–	3,000
Provision for expected credit losses	10	9	–	19
Other non-cash expenses - net	450	–	–	450

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

3. SEGMENT AND REVENUE INFORMATION (continued)

(b) Geographical segments

The following table presents revenue, capital expenditure and certain assets information regarding the Group's geographical segments as at and for the years ended 31 December 2022 and 2021.

31 December 2022	North America US\$'000	Asia Pacific US\$'000	Europe US\$'000	Australia US\$'000	Group US\$'000
Revenue	9,549	32,539	14,343	451	56,882
Results	(5,165)	(17,600)	(7,758)	(244)	(30,767)
Financial expenses					(1,037)
Financial income					867
Income tax benefit					1,857
Net loss for the year					(29,080)
Total assets	1,890	183,025	1,581	–	186,496
Total liabilities	–	33,817	–	–	33,817
<i>Other segment information:</i>					
Capital expenditures	–	13,986	–	–	13,986
Depreciation and amortization	–	6,658	–	–	6,658
Provision for inventory obsolescence	–	11,479	–	–	11,479
Provision for expected credit losses	–	1,967	–	–	1,967
Other non-cash expenses - net	–	302	–	–	302

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

3. SEGMENT AND REVENUE INFORMATION (continued)

(b) Geographical segments (continued)

31 December 2021	North America US\$'000	Asia Pacific US\$'000	Europe US\$'000	Australia US\$'000	Group US\$'000
Revenue	37,642	76,451	30,062	–	144,155
Results	4,642	9,427	3,707	–	17,776
Financial expenses					(891)
Financial income					33
Income tax expense					(408)
Net profit for the year					16,510
Total assets	6,391	206,574	2,609	–	215,574
Total liabilities	–	27,667	–	–	27,667
<i>Other segment information:</i>					
Capital expenditures	–	14,094	–	–	14,094
Depreciation and amortization	–	6,602	–	–	6,602
Provision for inventory obsolescence	–	3,000	–	–	3,000
Provision for expected credit losses	–	19	–	–	19
Other non-cash expenses - net	–	450	–	–	450

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

3. SEGMENT AND REVENUE INFORMATION (continued)

Disaggregation of revenue

	Manufacturing		Hospital Services		Distribution and Others		Total	
	2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
Primary geographical markets								
North America	9,549	37,642	–	–	–	–	9,549	37,642
Asia Pacific	11,652	50,233	14,312	14,971	6,575	11,247	32,539	76,451
Europe	14,343	30,062	–	–	–	–	14,343	30,062
Australia	451	–	–	–	–	–	451	–
	35,995	117,937	14,312	14,971	6,575	11,247	56,882	144,155
Revenue from contracts								
Revenue from manufacturing	35,995	117,937	–	–	–	–	35,995	117,937
Revenue from hospital services	–	–	14,312	14,971	–	–	14,312	14,971
Revenue from distribution and others	–	–	–	–	6,575	11,247	6,575	11,247
	35,995	117,937	14,312	14,971	6,575	11,247	56,882	144,155
Timing of transfer of goods or services								
At a point in time	35,995	117,937	–	–	5,968	10,635	41,963	128,572
Over time	–	–	14,312	14,971	607	612	14,919	15,583
	35,995	117,937	14,312	14,971	6,575	11,247	56,882	144,155

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

4. FINANCIAL INSTRUMENTS

31 December 2022

Group

	Financial assets US\$'000	Other financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	35,257	–	35,257
Trade receivables	32,641	–	32,641
Other current assets*	872	–	872
	<u>68,770</u>	<u>–</u>	<u>68,770</u>
Financial liabilities:			
Bank loans	–	(15,643)	(15,643)
Trade payables and other current liabilities**	–	(10,232)	(10,232)
Lease liabilities	–	(4,198)	(4,198)
	<u>–</u>	<u>(30,073)</u>	<u>(30,073)</u>
	<u>68,770</u>	<u>(30,073)</u>	<u>38,697</u>

*excluding non-financial assets

**excluding non-financial liabilities

31 December 2022

Company

	Financial assets US\$'000	Other financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	3,366	–	3,366
Trade receivables	27,490	–	27,490
Other current assets*	614	–	614
Due from subsidiaries (trade)	13,784	–	13,784
	<u>45,254</u>	<u>–</u>	<u>45,254</u>
Financial liabilities:			
Trade payables and other current liabilities**	–	(3,115)	(3,115)
Lease liabilities	–	(497)	(497)
	<u>–</u>	<u>(3,612)</u>	<u>(3,612)</u>
	<u>45,254</u>	<u>(3,612)</u>	<u>41,642</u>

*excluding non-financial assets

**excluding non-financial liabilities

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

4. FINANCIAL INSTRUMENTS (continued)

31 December 2021		Other financial	
Group	Financial assets	liabilities	Total
	US\$'000	US\$'000	US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	58,290	–	58,290
Trade receivables	42,347	–	42,347
Other current assets*	5,446	–	5,446
	<u>106,083</u>	<u>–</u>	<u>106,083</u>
Financial liabilities:			
Bank loans	–	(9,306)	(9,306)
Trade payables and other current liabilities**	–	(7,597)	(7,597)
Lease liabilities	–	(6,779)	(6,779)
	<u>–</u>	<u>(23,682)</u>	<u>(23,682)</u>
	<u>106,083</u>	<u>(23,682)</u>	<u>82,401</u>

*excluding non-financial assets

**excluding non-financial liabilities

31 December 2021		Other financial	
Company	Financial assets	liabilities	Total
	US\$'000	US\$'000	US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	15,711	–	15,711
Trade receivables	25,785	–	25,785
Other current assets*	4,028	–	4,028
Due from subsidiaries (trade)	20,518	–	20,518
	<u>66,042</u>	<u>–</u>	<u>66,042</u>
Financial liabilities:			
Trade payables and other current liabilities**	–	(1,458)	(1,458)
Lease liabilities	–	(476)	(476)
	<u>–</u>	<u>(1,934)</u>	<u>(1,934)</u>
	<u>66,042</u>	<u>(1,934)</u>	<u>64,108</u>

*excluding non-financial assets

**excluding non-financial liabilities

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

5. TAXATION

The major components of income tax expense for the years ended 31 December 2022 and 2021 are:

	Group		Company	
	2022 US\$'000	2021 US\$'000	2022 US\$'000	2021 US\$'000
Current	489	442	5	–
Deferred income tax:				
Origination and reversal of temporary differences	(2,346)	(34)	–	–
Income tax (benefit)/expenses recognised in the profit and loss accounts	(1,857)	408	5	–

6. DIVIDENDS

On 27 May 2022, the Board of Directors issued a notice on the declaration of cash dividends amounting to US\$0.0060 per ordinary share (tax not applicable) to shareholders of record as of 16 June 2022. Cash dividends amounting to US\$3.0 million were paid on 30 June 2022, while remaining cash dividends amounting to US\$235,000 were subsequently paid on 13 July 2022 (2021: US\$22.8 million).

7. INVESTMENT PROPERTY

	Group	
	2022 US\$'000	2021 US\$'000
Cost:		
As at 1 January and 31 December	5,465	5,465
Accumulated depreciation:		
As at 1 January	2,737	2,626
Depreciation charge for the year	111	111
As at 31 December	2,848	2,737
Net carrying amount	2,617	2,728

The Group's investment property includes building and building improvements that are mainly held to earn rentals and capital appreciation. 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.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS (continued)

7. INVESTMENT PROPERTY (continued)

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. A valuation of the fair value of the investment properties was performed by an independent appraiser. Aggregate fair value of the investment properties 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. The discount rate of 9.9% used under the income approach for valuing anticipated future benefits into current property value is computed under the “Built-Up” method. As at 31 December 2021, fair market value of the investment properties, which is based on its highest and best use, amounted to US\$4.3 million. The fair value is categorized under Level 2 (valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable) fair value hierarchy.

8. PROPERTY, PLANT AND EQUIPMENT

During the year ended 31 December 2022, the Group increased its property, plant and equipment amounting to US\$14.0 million, mostly from the completion of its new glove production plant in Cambodia (31 December 2021: US\$14.1 million).

9. INVENTORIES

During the year ended 31 December 2022, the Group has recognized provision for inventory losses amounting to US\$11.5 million (2021: US\$3.0 million). This expense is included in the cost of sales in the statements of comprehensive income. The carrying amount of inventories stated at the lower of cost and net realizable value as at 31 December 2022 was US\$36.4 million (31 December 2021: US\$49.7 million).

10. SHARE CAPITAL

	Group and Company	
	2022	2021
	US\$'000	US\$'000
Authorised		
- 1,000,000,000 ordinary shares of US\$0.05 each	50,000	50,000
Issued and paid up		
As at 1 January and 31 December		
- 549,411,240 ordinary shares of US\$0.05 each	27,471	27,471

The Company has only one class of shares: ordinary shares of US\$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.

On 28 March 2022, the Company had repurchased 1.5 million shares for a total consideration amounting to S\$339,000 (equivalent to approximately US\$249,000), which are held as treasury shares (2021: 3 million shares amounting to US\$2.1 million). Save as aforesaid, there were no changes in the share capital of the Company for the year ended 31 December 2022.

11. SUBSEQUENT EVENTS

There are no known subsequent events which have led to adjustments to this set of consolidated financial statements.

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

On 28 March 2022, the Company had repurchased 1.5 million shares for a total consideration amounting to S\$339,000 (equivalent to approximately US\$249,000), which are held as treasury shares (2021: 3 million shares amounting to US\$2.1 million).

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

The total number of issued Shares (excluding treasury shares) as at 31 December 2022 and 2021 was 544,911,240 and 546,411,240 respectively. The total number of treasury shares as at 31 December 2022 and 2021 was 4,500,000 and 3,000,000 respectively, which represented approximately 0.83% and 0.55% of the total number of issued Shares (excluding treasury shares) of 544,911,240 and 546,411,240 as at 31 December 2022 and 2021, respectively.

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

Not Applicable.

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

Not Applicable.

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

The figures have not been audited nor reviewed.

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

Not Applicable.

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

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

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

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

Not applicable. See note (a) above.

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

The Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at and for the financial year ended 31 December 2021.

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

A number of amendments to SFRS(I) have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

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

Group	
Latest Year FY2022 Unaudited	Previous Year FY2021 Audited

(Loss)/earnings per ordinary share for the period
after deducting any provision for preference dividends:

(i) Based on weighted average number of ordinary shares in issue	(5.232 US cents)	3.171 US cents
(ii) On a fully diluted basis	(5.232 US cents)	3.171 US cents

Explanatory note to 6 (i) and (ii)

(Loss)/earnings per share for the financial years ended 31 December 2022 and 2021 are calculated based on the weighted average number of issued ordinary shares, excluding treasury shares, during the financial years ended 31 December 2022 and 2021 of 545,286,240 and 546,911,240, respectively. There were no adjustments made to the earnings since the effects of share options are anti-dilutive.

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

Group	
Latest Year As at 31 December 2022 Unaudited	Previous Year As at 31 December 2021 Audited

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

28.02 US cents	34.39 US cents
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Company	
Latest Year As at 31 December 2022 Unaudited	Previous Year As at 31 December 2021 Audited

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

15.29 US cents	18.10 US cents
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Explanatory note to 7

The net asset value per ordinary share is calculated based on 544,911,240 and 546,411,240 issued shares, excluding treasury shares, for the financial year ended 31 December 2022 and 2021, respectively.

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

Business Overview

The Group's revenue decreased by 60.5% to US\$56.9 million in the financial year ended 31 December ("FY") 2022 from US\$144.2 million in FY2021 due to (1) lower sales arising from a decline in global demand and average selling price ("ASP") of PPE and facemasks and (2) lower orders from our existing clients from oversupply in their inventories and non-recurring orders from FY2021. Such global trends and a decrease in recorded COVID-19 cases and easing of COVID-19 prevention measures in most countries has significantly affected the buying habits of most of our key customers, which has in turn our revenues and margins. To mitigate the impact, the Group continued with its marketing effort to increase its online e-commerce presence with the hope to engage more customers with existing and new products such as home healthcare items. We remain committed to delivering high-quality products and expanding our reach through e-commerce platforms like Amazon. Net profit decreased significantly by 276.1% to US\$29.1 million net loss in FY2022 from US\$16.5 million net profit in FY2021, due to lower demand for the Group's PPE and lowered margins as well as an increase in inventory provisions in FY2022.

Revenue

Revenue from the Original Product Manufacturing ("OPM") division decreased by 69.5% to US\$36.0 million in FY2022 from US\$117.9 million in FY2021 due to lower sales of PPEs and facemasks arising from a decline in global demand.

Revenues from Hospital Services division decreased slightly by 4.4% to US\$14.3 million in FY2022 from US\$14.9 million in FY2021 due to decreased linen consumption in Taiwan and Philippines. Revenues from Trading, Distribution and others decreased by 41.5% to US\$6.6 million in FY2022 from US\$11.2 million in FY2021 due also to lower demand in Taiwan.

Profitability

The Group's gross profit decreased significantly by 105.4% to US\$2.2 million gross loss in FY2022 from US\$42.0 million gross profit in FY2021 arising from lower sales demand and recognition of provision for inventory losses amounting to US\$11.5 million following the decline in ASPs of PPEs and facemasks in the global market. This led to a decrease in the Group's gross profit margins to a negative 4.0% in FY2022 from a positive 29.1% in FY2021. Without the provision for inventory losses, the Group's gross profit would be approximately US\$9.2 million with gross margins of 16.2% in FY2022.

Gross profit from the OPM division decreased significantly by 112.9% to US\$4.6 million gross loss in FY2022 from US\$35.9 million gross profit in FY2021 due to lower sales and inventory losses from low global market prices of products and inventory provisions in FY2022. This also resulted in the gross profits margins of the OPM division to decline by 142.2% to negative 12.9% in FY2022 from positive 30.5% in FY2021.

Hospital Services division gross profit decreased by 7.9% to US\$1.8 million in FY2022 from US\$1.9 million in FY2021 arising from lower linen consumption in Taiwan and Philippine hospitals.

Gross profit from Trading, Distribution and Others division decreased by 86.0% to US\$582,000 in FY2022 from US\$4.1 million in FY2021 due also to lower sales and inventory losses from lower ASPs.

Other operating income net decreased slightly by 6.7% to US\$1.6 million in FY2022 from US\$1.7 million in FY2021 from fewer foreign exchange gains.

Distribution, selling and administrative expenses increased by 15.9% to US\$30.1 million in FY2022 from US\$26.0 million in FY2021 from expected credit losses on receivables derived from aging and higher marketing and depreciation costs.

Financial expenses increased by 16.4% to US\$1.0 million in FY2022 from US\$0.9 million in FY2021 due to higher bank borrowings.

Income tax expenses decreased by 555.1% to US\$1.8 million income tax benefit in FY2022 from US\$0.4 million income tax expense in FY2021 arising from future taxable deductions of the Group.

Net profit decreased significantly by 276.1% to US\$29.1 million net loss in FY2022 from US\$16.5 million net profit in FY2021 due to lower sales and margins for PPE and facemasks and provisions for inventory losses and expected credit losses on receivables derived from aging.

Cash Flow and Balance Sheet

Total assets of the Group decreased by US\$29.1 million to US\$186.5 million in FY2022 from US\$215.5 million in FY2021 due primarily to decrease in cash from payments of cash dividends, purchase of treasury shares, and construction costs from the glove factory in Cambodia. Inventories also decreased to US\$36.4 million in FY2022 from US\$49.7 million in FY2021 as a result of the provision for inventory losses. Trade receivables decreased to US\$32.6 million in FY2022 from US\$42.3 million in FY2021 mostly from collections from customers and provision for expected credit losses. Property, plant and equipment increased to US\$46.5 million in FY2022 from US\$32.1 million in FY2021 as a result of the completion of the glove production facility constructed in Cambodia.

The Group utilized from its operating cash flow of US\$12.4 million in FY2022 from the operating cash flow of US\$33.9 million generated in FY2021, attributable to the net operating loss for the period and commitment of cash towards fixed deposits. Cash outflow for investing activities increased to US\$24.6 million in FY2022 from US\$15.5 million in FY2021, mainly attributable to the additional cost incurred from construction of the glove factory in Cambodia, new long-term lease rights amounting to US\$4.5 million and bonds amounting to US\$3.0 million acquired by the Group in Cambodia and increase in quoted equity investments in Taiwan. Cash inflow from financing activities of US\$1.5 million came from new bank borrowings, partially offset by payments of cash dividends, interest and lease liabilities and purchase of treasury shares.

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

While the Company's announcement dated 1 March 2022 of its unaudited full year financial results for FY2021 had disclosed that barring unforeseen circumstances, the Group is expected to remain profitable, the Company's profit guidance announcement released on 20 July 2022 had subsequently disclosed that the Company is expected to generate a loss for the first half of the financial year ended 30 June 2022 due to lower orders from OEM clients and reduction in demand and average selling prices of PPE and facemasks globally.

The Group subsequently released a profit guidance announcement on 19 January 2023 that it is expected to incur a significant loss for the fourth quarter and the second half of the financial year ended 31 December 2022 due to inventory provisions for PPE amounting to approximately US\$12 million arising from the lower average selling prices for PPE in the current global market.

The Group's financial results for FY2022 is consistent with the abovementioned prospect statements and profit guidance previously disclosed to shareholders.

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

Looking ahead to 2023, the world has returned to a state of normalcy post COVID-19. However, the pandemic has highlighted the importance of healthcare products and the crucial role companies like Medtecs play in disease prevention and safeguarding global health. As a leading provider of PPE, we have expanded our market penetration of own-brand PPE and related protective solutions in the global market through e-commerce platforms like Amazon. E-commerce will remain a key growth area of the Group as we expand product offering and our reach from Asia, USA to new markets such as Singapore through e-commerce.

The Company's joint venture company, Resilient Medical Pte. Ltd., has recently inaugurated its technologically-advanced nitrile glove factory in Cambodia in Q42022. Commencement of operations at the factory has further diversified our product portfolio and will strengthen our position as a key player in pandemic and disease prevention. The nitrile glove factory complements our current production capacity in Cambodia, Philippines and China as we pursue more stockpiling business for government projects worldwide.

To broaden our customer base, the Group has expanded into business-to-consumer services and is leveraging the increased consumer awareness for its Medtecs and CoverU brands. We plan to seek collaboration and franchising opportunities for our enhanced portfolio of products through our extensive network of retail partners.

As the world adapts to living with COVID-19, the Group is focused on pursuing growth opportunities to future-proof our market position. To meet changing needs of the market, we have started to diversify our product portfolio to include in-demand healthcare items like anti-viral disinfectants, wipes, home healthcare products such as hydrocolloid bandages and dressings, as well as medical devices with AI capabilities. These initiatives aim to support customer health, and enhance our business resilience by tapping into emerging market trends and reducing dependence on a single product category.

The Company recognizes the challenges posed by the decline in global demand and ASP of PPE, coupled with lower orders from existing clients due to oversupply in their inventories and non-recurring orders from FY2021. In response, we are enhancing our supply chain management to ensure we can respond quickly to changes in demand. We are improving our forecasting and demand planning, optimizing inventory levels, and working more closely with suppliers and distributors. By enhancing our supply chain management, we hope to manage our inventory better and reduce the risk of overstocking or stock shortages. This will enable us to be more responsive to customer needs and position us for growth in the future.

Meanwhile, to keep pace with sustainability trends, the Company is exploring the possibility of foraying into the renewable energy market to develop another growth driver. This includes investing in renewable energy together with external strategic partners to meet the requests from our clients for more green manufacturing in the future. We intend to focus on evaluating the merits of solar power and energy storage services, including installation of solar panels in our existing factories. More information on our future plans will be provided to, and requisite approvals will be obtained from, shareholders at the appropriate juncture.

Despite the challenging business environment, we remain confident in our ability to navigate these conditions and deliver long-term value for our shareholders.

11. If a decision regarding dividend has been made:

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

No.

(b)

(i) *Amount per share*

Not applicable.

(ii) *Previous corresponding period*

A final cash dividend per share of US\$0.0060 per ordinary share was declared in respect of the full-year ended 31 December 2021 and paid on 13 July 2022.

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

Not applicable.

(d) *The date the dividend is payable*

Not applicable.

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

Not applicable.

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

No dividend has been declared to focus our resources on working capital requirements.

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

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

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

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

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

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

Geographical Segment

	NORTH AMERICA (US\$'000)	ASIA PACIFIC (US\$'000)	EUROPE (US\$'000)	AUSTRALIA (US\$'000)	GROUP (US\$'000)
2022					
Turnover	9,549	32,539	14,343	451	56,882
Results	(5,165)	(17,600)	(7,758)	(244)	(30,767)
Financial expenses					(1,037)
Financial income					867
Taxation					1,857
Net loss					(29,080)
Total assets	1,890	183,025	1,581	–	186,496
Total liabilities	–	33,817	–	–	33,817
Capital expenditure	–	13,986	–	–	13,986
Depreciation and amortization	–	6,658	–	–	6,658
Provision for inventory obsolescence	–	11,479	–	–	11,479
Provision for expected credit losses	–	1,967	–	–	1,967
Other non-cash expenses	–	302	–	–	302

	NORTH AMERICA (US\$'000)	ASIA PACIFIC (US\$'000)	EUROPE (US\$'000)	AUSTRALIA (US\$'000)	GROUP (US\$'000)
2021					
Turnover	37,642	76,451	30,062	–	144,155
Results	4,642	9,427	3,707	–	17,776
Financial expenses					(891)
Financial income					33
Taxation					(408)
Net profit					16,510
Total assets	6,391	206,574	2,609	–	215,574
Total liabilities	–	27,667	–	–	27,667
Capital expenditure	–	14,094	–	–	14,094
Depreciation and amortization	–	6,602	–	–	6,602
Provision for inventory obsolescence	–	3,000	–	–	3,000
Provision for expected credit losses	–	19	–	–	19
Other non-cash expenses	–	450	–	–	450

Business Segment	Turnover (US\$'000)			Profit Before Taxation and Non-controlling Interest (US\$'000)		
	Latest Year FY2022 Unaudited	Previous Year FY2021 Audited	% Change	Latest Year FY2022 Unaudited	Previous Year FY2021 Audited	% Change
	Manufacturing	35,995	117,937	(69.5)	(31,192)	13,929
Hospital Services	14,312	14,971	(4.4)	422	332	27.1
Distribution and Other(s)	6,575	11,247	(41.5)	(167)	2,657	(106.3)
Total	56,882	144,155	(60.5)	(30,937)	16,918	(282.9)

Distribution and other revenues include rental income amounting to US\$0.6 million in FY2022 and FY2021.

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

Not applicable.

17. A breakdown of sales as follows:

	Group		
	US\$'000		% Increase (Decrease)
	2022	2021	
Sales reported for first half year	31,604	85,303	(63.0)
Operating profit / (loss) after tax before deducting non-controlling interests reported for first half year	(3,900)	18,505	(121.1)
Sales reported for second half year	25,278	58,852	(57.0)
Operating profit / (loss) after tax before deducting non-controlling interests reported for second half year	(25,180)	(1,995)	(1,162.1)

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

(a) Ordinary

No dividend will be declared for FY2022. The Company had declared cash dividends totaling US\$3.3 million in respect of FY2021 for a final dividend of US\$0.0060 per share.

(b) Preference

None.

(c) Total

See (a) above.

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

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was first held	Details of changes in duties and position held, if any, during the year
Sherry Chen Su-Tien	67	Spouse of Mr. Clement Yang Ker-Cheng, Executive Chairman of the Company and mother of Mr. William Yang Weiyuan, Deputy Chairman and Chief Executive Officer of the Company and Ms. Wan Chien Yang, General Counsel of the Company and Non-Executive Director of Medtecs USA Corporation.	Non-Executive Chairman of Medtecs (Taiwan) Corporation since 2 May 2018.	None.
Wan Chien Yang	42	Daughter of Mr. Clement Yang Ker-Cheng, Executive Chairman of the Company and Sherry Chen Su-Tien, Non-Executive Chairman of Medtecs (Taiwan)	General Counsel of the Company with effect from 1 March 2021 and Non-Executive Director of	None.

		Corporation and sister of William Yang Weiyuan, Deputy Chairman and Chief Executive Officer of the Company.	Medtecs USA Corporation since 19 October 2020.	
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ON BEHALF OF THE BOARD

Clement Yang Ker-Cheng
Chairman
Date: 28 February 2023