



PPE Stockpiling Solutions

Personal Protective Equipment

2021 June



Preparing for the next health crisis: the need for an efficient and resilient stockpile of personal protective equipment (PPE)

The Covid-19 pandemic has put the spotlight on problems with the PPE supply chain and the traditional PPE stockpiling models.

- US's strategic national stockpile suffered from poor planning and management with many of supplies becoming expired, leading to financial waste and failure to provide timely assistance to hospitals.
- Canada's National Emergency Stockpile System had an issue with expired supplies that persists to this day.
- UK government spent £10b extra between February and July 2020 to secure PPE after failure to stockpile these critical supplies before the Covid-19 crisis.
- Storing and managing the quantity of supplies needed to guard against a pandemic is costly and logistically challenging.

Figuring out what makes an efficient and resilient PPE stockpiling

In the US, federal, state and local lawmakers are introducing legislation, bills or executive orders to mandate PPE stockpiling for healthcare providers –These mandates are likely to *increase* supply shortages and drive up costs to hospitals.



Key Elements of a Robust PPE Stockpile

Supply Chain Management

- No concentration of suppliers in one country/region
- Sourcing quality raw materials, products and avoiding fraudulent suppliers
- Combining orders for PPE stockpiles and use the group purchasing power for better price negotiation

Stockpiles to be Managed, Inventory Rotated

- Inventory expiration date tracking with an electronic inventory management system and centralized ordering system
- A balance between adequate inventory for emergency response and expiration risks

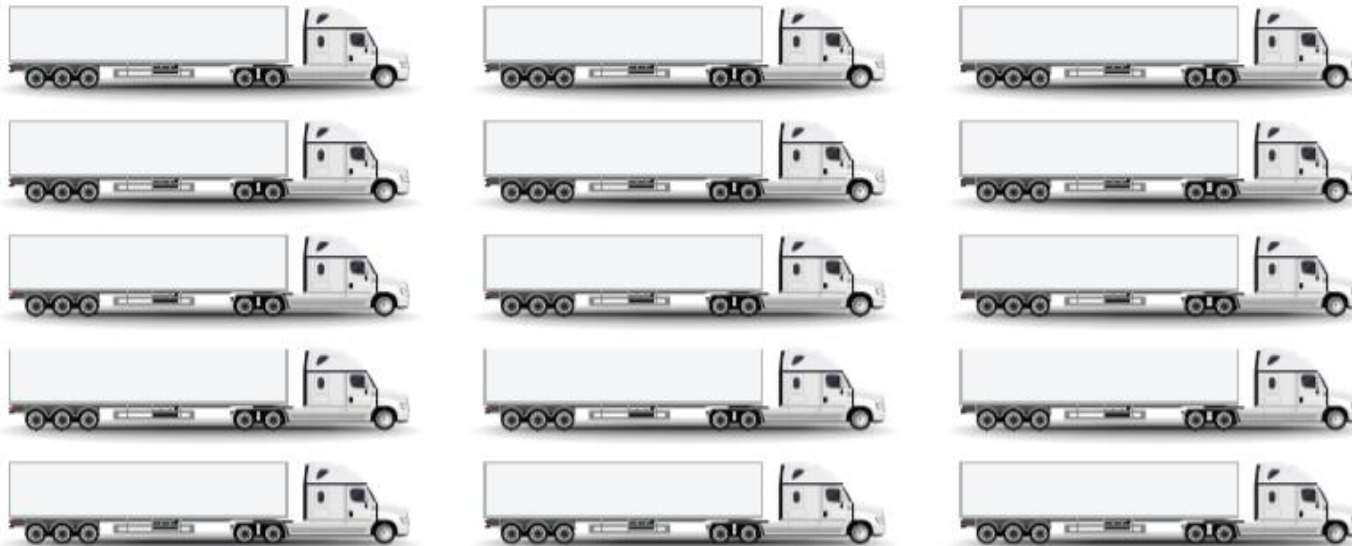
Stockpile Storage & Distribution

- Distribution centers to store PPE stockpiles in different locations to accommodate the space needs and to reduce delivery time so as to meet demand surge quickly



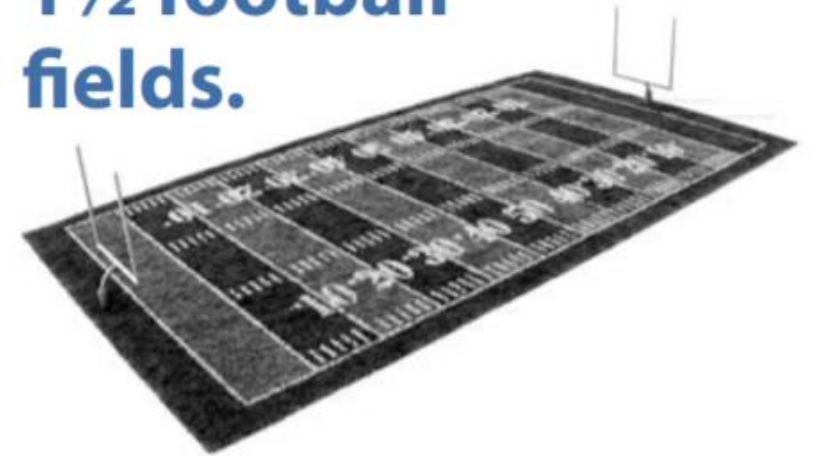
Hospitals Can Focus on their Core Business with the Right Providers

A 90-day supply for a 350-bed hospital requires 5,700 sq. ft. of space — the equivalent of **13–15 tractor trailers.**



A 90-day supply for a 5,000-bed system requires 81,400 sq. ft. of space — the equivalent of

1½ football fields.



Sources: HIDA Infographic 90 Day PPE Stockpile Mandates



Why Choose Medtecs as Your Stockpiling Partner? Because We **CARE**

B2G



Government

B2B



Business

B2C



Consumer

Capacity

- Biggest non-China based PPE manufacturer
- Diverse PPE production sites and products
- Exports to over 30 countries around the world

Agility

- High proportion of recurring orders to help consume and replenish inventory
- Multiple global distribution centers (USA, Canada, Cambodia, Japan, Australia, Philippines, Germany, and Ireland)

Reputation

- Dual-listed in Singapore and Taiwan
- Numerous certifications and recognitions
- Client base consists of mostly world renowned companies

Experience

- PPE stockpiling partner for governments and group purchasing organizations for 18 years



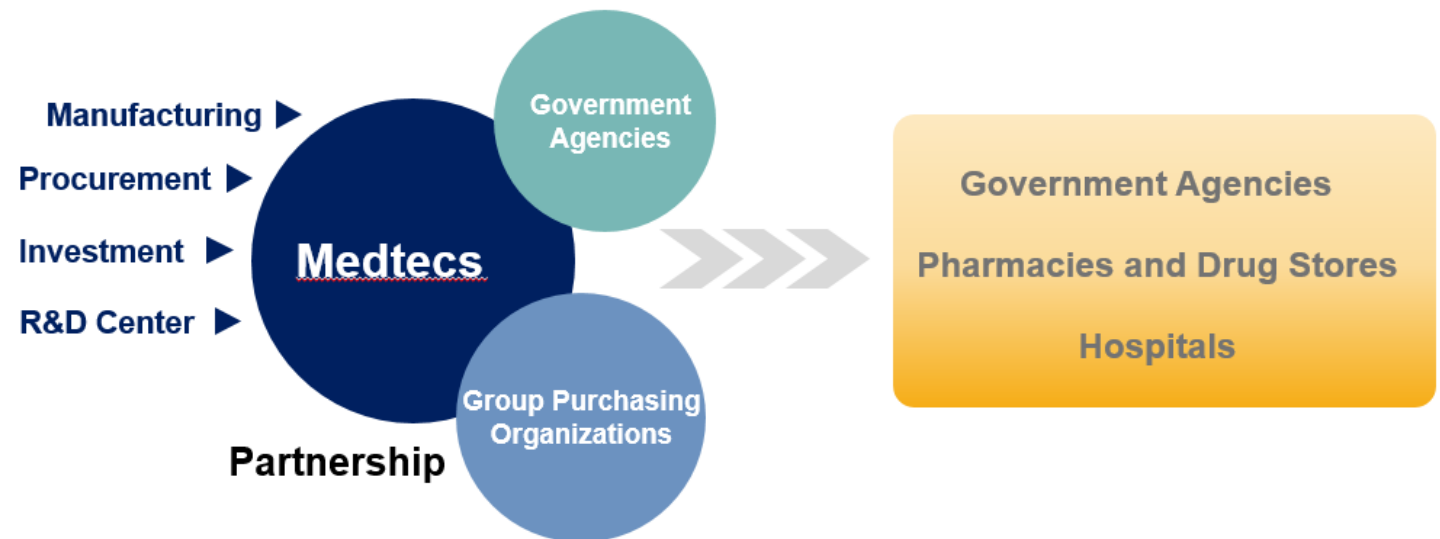
Company Overview



- Established since 1989 in the Philippines
- Listed on Singapore Stock Exchange in 1999 and Taiwan Stock Exchange in 2002
- 7,500+ employees worldwide
- Export to 30+ countries
- Key non-China based PPE Manufacturer
- Key Partner to Taiwan & Singapore National PPE Stockpiling for 18 years

Market Cap ⁽¹⁾	US\$ 410M
FY2020 Revenue	US\$ 400.3M
FY2020 Net Profits	US\$ 131.7M

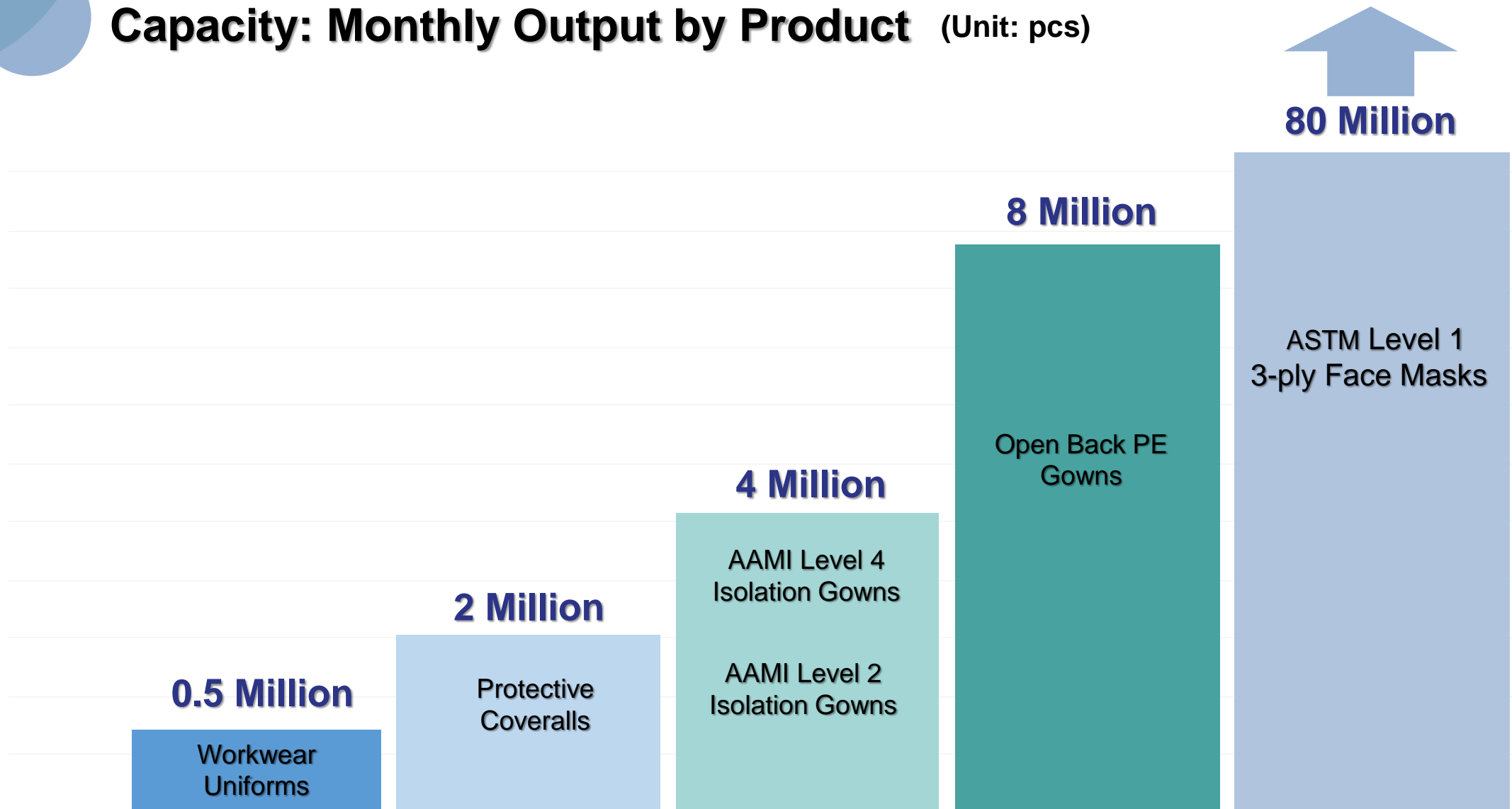
Notes: (1) As at 31 May 2021. Bloomberg Finance L.P.



Capacity: Production Capacity with Skilled Labor

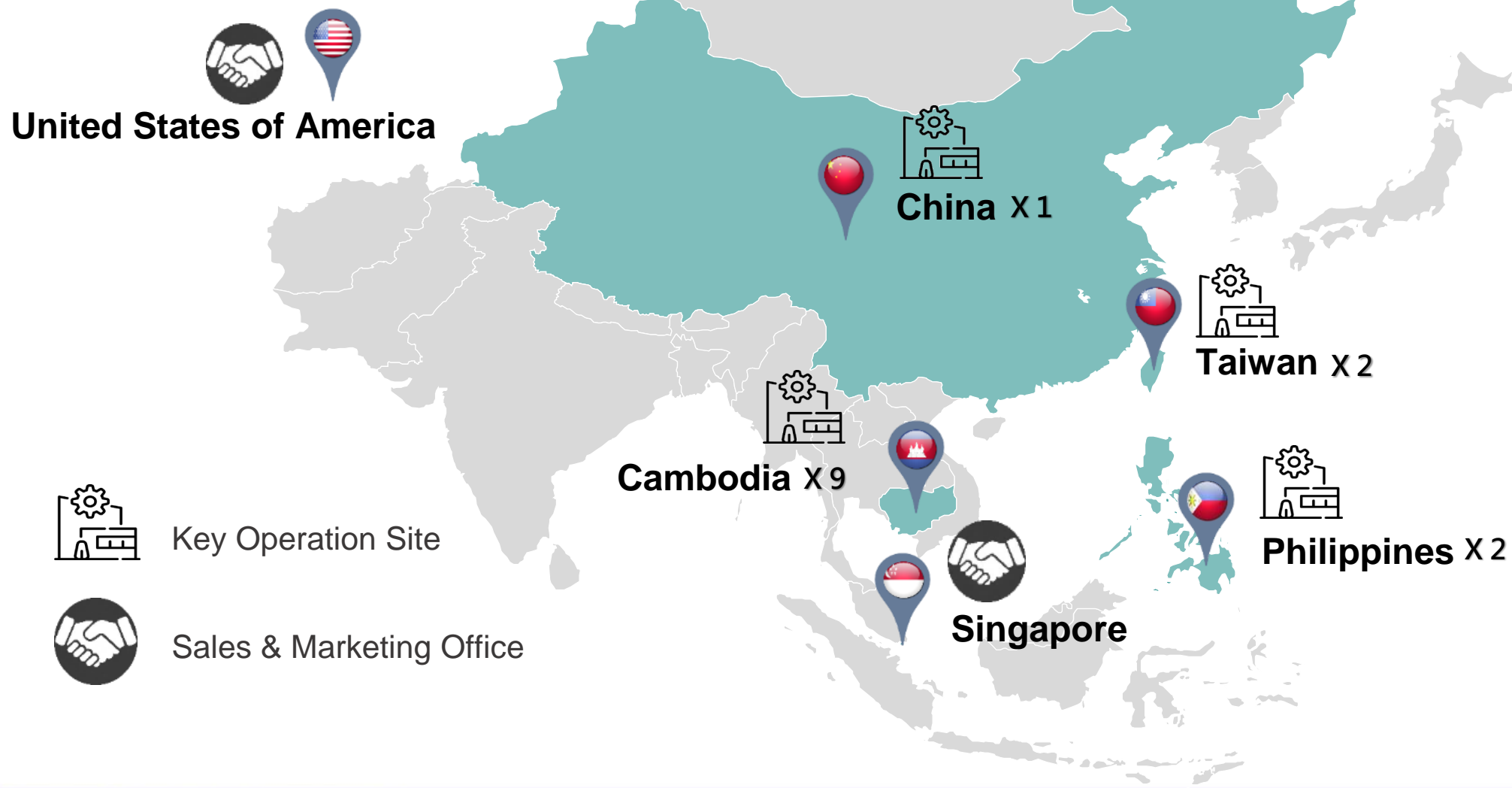


Capacity: Monthly Output by Product (Unit: pcs)



Capacity: Diversified Production Sites

No concentration of production sites or suppliers in one region to reduce supply chain interruption



Capacity: Diversified Portfolio of Products to Provide Head-to-Toe Protection

Workwear

Linen

Medical Devices

Source and Sell Globally Strategy

With a network of trusted suppliers of products and raw materials to meet each customer's specific demands

One-stop Shop & Medtecs Express

Delivery of products to retails customers worldwide

Personal Protective Equipment (PPE)

- Disposable Mask
- Shoe/Boot Cover
- Isolation Gown
- CoverU Jacket (Flight Suit)
- Disposable Coverall
- Goggle and Face Shield
- Bouffant Cap
- Other medical consumables






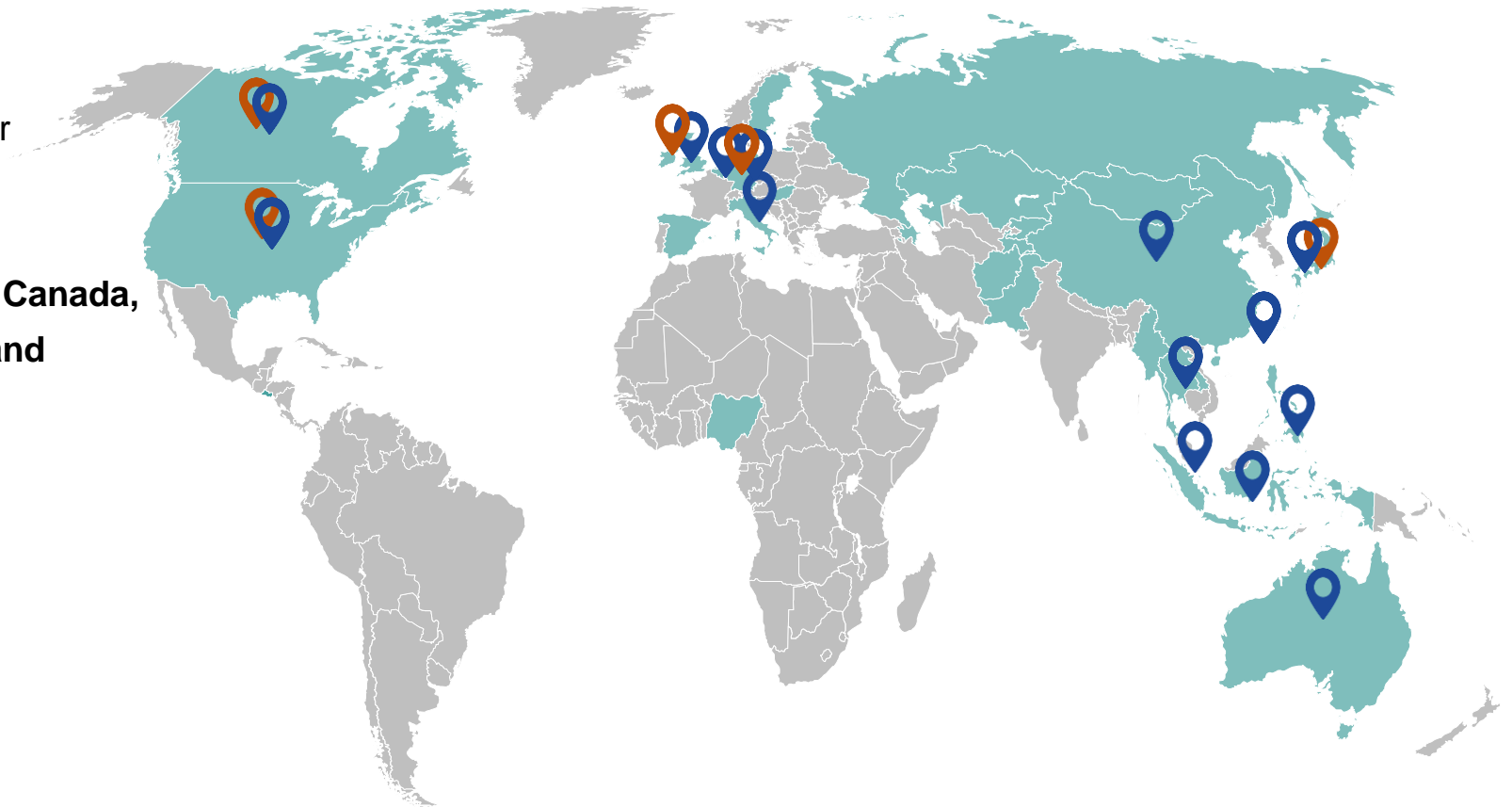
Agility: Worldwide Distribution Capabilities

B2C worldwide sales via e-commerce platforms including:



- Export to **30+ countries**
- Key supplier to **global PPE companies** for decades
- Long-term partnership with DHL/FedEx
- Multiple distribution centres in **Japan, US, Canada, Philippines, Taiwan, Germany, and Ireland**

-  Worldwide customers
-  Global PPE companies
-  Distribution centres



Agility: Long-standing Relationship with Key Customers to Help Consume PPE Stock on a Regular Basis

High proportion of recurring orders to help consume and replenish inventory



衛生福利部

Ministry of Health and Welfare

Ministry of Health and Welfare, Taiwan

- Responsible for the public health of Taiwan including universal health care, disease prevention, and social welfare
- Medtecs has been MOHW's National PPE stockpiling partner since 2003

ST Logistics

ST Logistics, Singapore

- 3L services provider for Singapore's defense and government sectors
- Generates an annual revenue of \$350 million with more than 800 employees worldwide



Republic of the Philippines
Department of Health
Kagawaran ng Kalusugan

Department of Health, Philippines

The executive department of the government of the Philippines that's responsible for ensuring access to basic public health services by 110 million Filipinos. Annual budget as of 2020 is about ₱101.02 billion (US\$ 2.1 billion)



ក្រសួងសុខាភិបាល
Ministry of Health

Ministry of Health, Cambodia

Responsible for the health of 16.5 million Cambodian, governing the country's healthcare, the healthcare industry, and public health and health-related NGOs



Agility: Long-standing Relationship with Key Customers to Help Consume PPE Stock on a Regular Basis

High proportion of recurring orders to help consume and replenish inventory



Premier Inc. (NASDAQ: PINC)

The biggest Group Purchasing Organization (GPO) in the US with an alliance of approximately 4,100 U.S. hospitals and health systems and more than 200,000 other providers and organizations



Full Support

Supplies PPE and Respiratory Protective Equipment (RPE) around the world, including to over 90% of the UK healthcare market



DuPont de Nemours, Inc.

Specializes in supplying one of the world's most-recognized high-performance material and protective garments for the protection of workers, buildings, and critical processes



Direct Supply

Specializes in providing equipment, eCommerce, and services to the senior living industry to enhance the lives of seniors worldwide



Reputation: Operational Excellence with Industry Awards and Recognition

- ISO 9001
- CE Certificate
- ISO 13485
- D-U-N-S Certificate
- FDA Registered
- WCA Certificate



2021

16th Golden Torch Award

**TOP TEN
ENTERPRISES OF
THE YEAR**

2020

**TAIWAN 5-Star
Service Provider**



2020

**Most Revenue
Generated**



2019

**TAIWAN Cross-border
e-Commerce
Enterprises**



2018

**Top 10 B2B E-Commerce
Companies Competition**



2016

**Authority of the Freeport
Area of Bataan 4th Annual
Stakeholders' Night**



Reputation: Donations Around the World

- United States
- Italy
- Japan
- Cambodia
- Eswatini
- Somaliland
- Germany
- Taiwan
- France
- Philippines
- St. Lucia
- Brazil



Reputation: Dual Listed in Singapore and Taiwan



Singapore Stock Exchange

- Listed on the Singapore Stock Exchange in 1999
- A constituent of the iEdge SG All Healthcare Index and the S&P Global BMI index

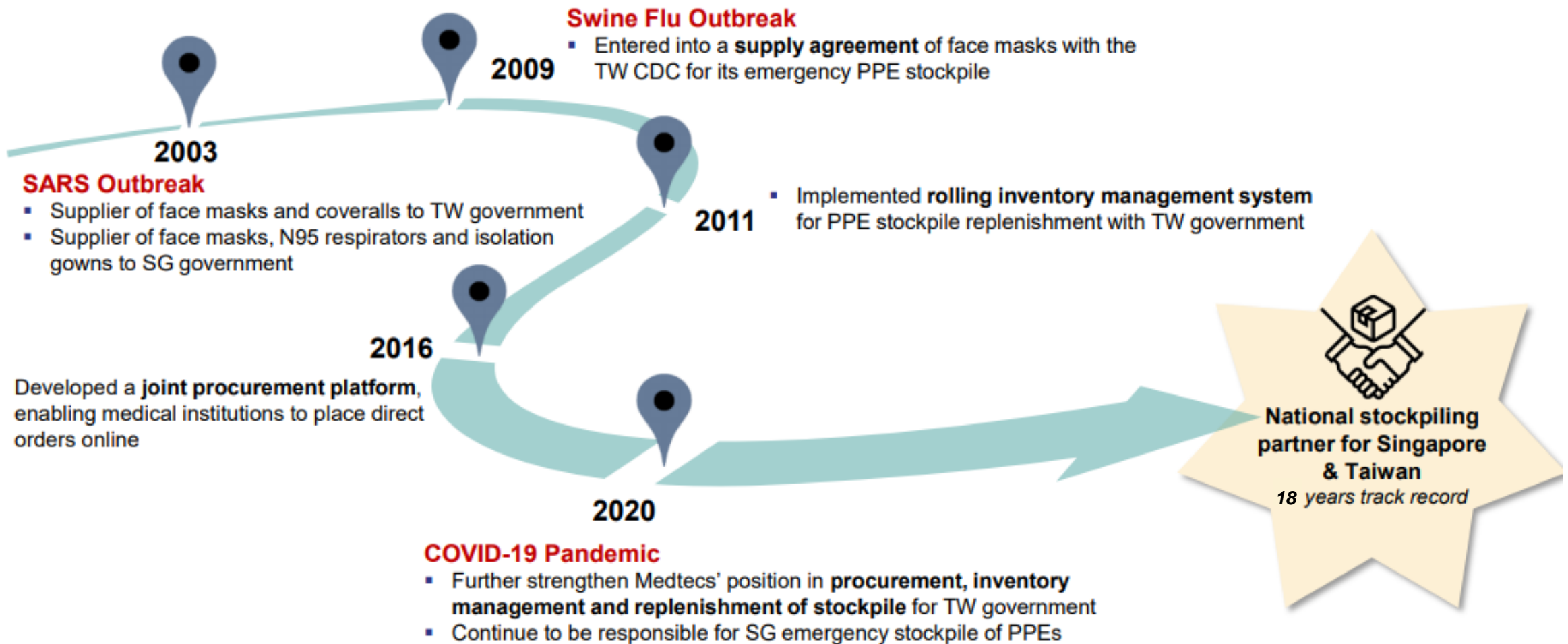


Taiwan Stock Exchange

Medes' Taiwan Depository Receipts (TDRs) commenced trading on 13 December 2002



Experience: stockpiling solutions provider to Singapore and Taiwan for 18 years



Medtecs Stockpiling Solutions

B2G



Government

B2B



Business

B2C



Consumer

A

Solution

Stockpile Inventory Management

B

Solution

Stockpile Insurance with Different Tiers of Membership & Rates

C

Solution

Medes PPE Subscription Plan for Individuals and Small- and Medium-sized Businesses

D

Solution

Turnkey Solution to Help Set Up Local/Domestic PPE Production Facilities Supported by Warehousing and Rolling-inventory Systems

Global Stockpiling Service



Medtecs Stockpiling Solutions

Global Stockpiling Service

A

Solution

Stockpile Inventory Management

- A. Client can build up a safety stock level with Medtecs providing desired products, including but not limited to PPE. The stock can be stored at either the client's own warehouse or at Medtecs' distribution centers in different continents.
- B. To get the stockpile rolling, the client can distribute these products to medical institutions or facilities it controls to help consume the inventory. Assuming the average shelf life of the products is 36 months, customers only need to consume 1/36 of the stockpile on a monthly basis. If the customer is not able or willing to help consume the inventory on a regular basis, Medtecs can assist to keep the stockpile rolling, and will do so at a premium.
- C. Medtecs will be responsible for replenishing whatever is consumed within 2-4 weeks.

Advantages:

- a) The client is guaranteed a certain amount of inventories which are consumed and replenished regularly, which means, no more obsolete inventories.
- b) The client's inventories are made up of quality products by Medtecs-vetted vendors from all over the world.
- c) Medtecs will offer a certain amount of PPEs at a discounted price fixed at the beginning of the term of the service agreement.



Medtecs Stockpiling Solutions

Global Stockpiling Service

B

Solution

Stockpile Insurance with Different Tiers of Membership & Rates

- A. Client can choose to become a member of the Medtecs PPE Insurance Plan.
- B. The client can pay an insurance premium to guarantee access to a certain amount of Medtecs products with a pre-agreed price for 12 months. Products covered by the insurance plan can be delivered to the customer within 7 days.
- C. By the end of the 12-month period, the customers can get half of this insurance premium back or use that money to extend the insurance for another year. The price list of the products will be adjusted accordingly.

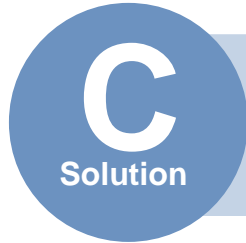
Advantages:

- a) Minimal cash out.
- b) The client does not need to help consume the stockpile.
- c) The client's inventories are made up of quality products by reliable and Medtecs-vetted vendors from all over the world.



Medtecs Stockpiling Solutions

Global Stockpiling Service



Medtecs PPE Subscription Plan for Individuals and Small- and Medium-sized Businesses

- A. Reliable, steady supply of PPE at a great price for those with regular need of quality PPE to protect themselves, loved ones, employees or customers.
- B. Perfect for small- and medium-sized businesses with limited group purchasing power.

Advantages:

- a) Direct access to safe and high-quality PPE without going through any middlemen.
- b) Customized, bundled product(s) to suit each unique personal or business needs.
- c) Guaranteed regular supply of PPE: customer choose the items and the quantity and the delivery interval.



Medtecs Stockpiling Solutions

Global Stockpiling Service

D

Solution

Turnkey Solution to Help Set Up Local/Domestic PPE Production Facilities Supported by Warehousing and Rolling-inventory Systems

- A. Medtecs will help the client set up its on-shore PPE production facilities or help re-shore its production capacities.
- B. Medtecs will also manage inventory, procurement, contract negotiations, data reporting, logistics, and distribution.
- C. Medtecs will help consume and replenish the stockpiled supplies.

Advantages:

- a) The client can have its own on-shore PPE production facilities.
- b) The client will be less reliant on off-shore suppliers.
- b) No more obsolete inventories; hence, the stockpile generates minimal financial and material waste.



Emergency Response: Medtecs Stockpiling Solution in Action

In May 2021, Taiwan experienced its first major COVID-19 outbreak. Overnight, the demand for PPE exploded amongst government agencies, hospitals, financial institutions, corporations, and the general public. Medtecs leveraged its strengths of having diversified production sites, multiple global distribution centres, and a robust supply chain, and quickly shipped PPE back to Taiwan from its distribution centres located in the US, Philippines, Cambodia, Vietnam, and China. Medtecs responded in record time to front-liners and first-responders' need for safe and effective PPE, including coveralls, isolation gowns, face shields, safety goggles, and a variety of anti-viral products.

This proves that Medtecs is well-equipped to mobilize its resources globally to assist clients across all sectors in accessing and building their own PPE inventory stockpile, even in times of public health crisis.



About Medtecs

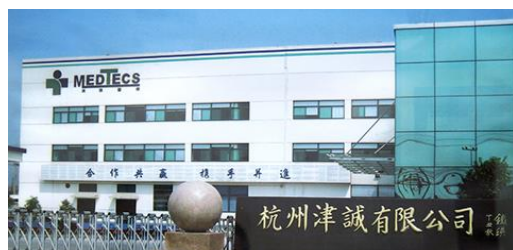


Established in 1989, Medtecs International Corporation Limited and together with its subsidiaries, (the “Company”) is a leading PPE and hospital service provider.

Headquartered in Taipei, Taiwan, the Company has manufacturing facilities in the Philippines, Cambodia, and China, and is a key non-based supplier to global PPE companies, exporting to over 30 countries in Europe, Asia, North America, and Australia. The Company also serves as a one-stop vendor to hospitals, supplying PPE, workwear, and medical consumables to more than 200 hospitals in Taiwan and the Philippines. It is also a key partner for Taiwan’s and Singapore’s national PPE stockpiles for the past 18 years.

In 2020, the Company incorporated Medtecs USA Corporation, its first subsidiary in the United States, for expansion into the local PPE and medical consumables market.

Medtecs is dual-listed in Taiwan and Singapore, and is a constituent of the iEdge SG All Healthcare Index and the S&P Global BMI index.





Safeguarding Every Tomorrow

