

## MEDTECS INTERNATIONAL CORPORATION LIMITED

This announcement 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"). The Sponsor has not independently verified the contents of this announcement including the accuracy or completeness of any of the figures used, statements, opinions or other information made or disclosed.

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

The contact persons for the Sponsor are Ms Evelyn Wee (Telephone Number: +65 6232 0724) and Mr. Howard Cheam Heng Haw (Telephone Number: +65 6233 0685), R & T Corporate Services Pte. Ltd., at 9 Battery Road #25-01, Straits Trading Building, Singapore 049910.

### Full Year Financial Statements

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

##### 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 immediately preceding financial year.

Full Year Results	Group		
	US\$'000		%
	Latest Year 31 Dec 2018 Unaudited	Previous Year 31 Dec 2017 Audited	Increase / (Decrease)
<b>Revenues</b>	68,304	61,826	10.5
Costs of sales and services	(58,020)	(52,148)	11.3
<b>Gross profit</b>	10,284	9,678	6.3
<b>Other items as income</b>			
Other operating income, net	449	242	85.5
Financial income	111	13	753.8
<b>Other items as expense</b>			
Distribution and selling expenses	(2,683)	(2,673)	0.4
Administrative expenses	(4,977)	(4,538)	9.7
Financial expenses	(1,998)	(1,767)	13.1
<b>Profit before tax</b>	1,186	955	24.2
Income tax expense	(272)	(82)	231.7
<b>Net profit for the year</b>	914	873	4.7
<b>Attributable to:</b>			
Shareholders of the Company	914	883	3.5
Non-controlling interests	–	(10)	(100.0)
	914	873	4.7

**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 2018 Unaudited	Previous Year 2017 Audited
Depreciation	2,265	2,582
Amortisation of:		
Assets held for leasing	2,525	2,076
Investment of property	164	218
Other finance costs	201	323
Interest expense	1,797	1,443
Movement of pension benefit obligation	82	84
Interest income	(111)	(13)

**Statement of Comprehensive Income for the year ended 31 December 2018**

	Group		
	US\$'000		%
	Latest Year 2018 Unaudited	Previous Year 2017 Audited	Increase/ (Decrease)
Profit after tax	914	873	4.7
Exchange difference on consolidation	(665)	104	(739.4)
Actuarial gains	176	87	102.3
<b>Total comprehensive income</b>	<b>425</b>	<b>1,064</b>	<b>(60.1)</b>
<b>Attributable to:</b>			
Shareholders of the Company	415	1,072	(61.3)
Non-controlling interests	10	(8)	(225.0)
	425	1,064	(60.1)

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

**Full Year Balance Sheet as at 31 December**

	Group US\$'000		Company US\$'000	
	2018 Unaudited	2017 Audited	2018 Unaudited	2017 Audited
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment, net	21,600	23,410	44	61
Assets held for leasing	Note 1	6,317	5,148	–
Investment property		3,061	3,225	–
Investment in subsidiaries		–	–	24,883
Goodwill		709	709	–
Deferred tax assets		13	15	13
Other non-current assets		6,744	6,057	3,800
		<b>38,444</b>	<b>38,564</b>	<b>28,740</b>
<b>Current assets</b>				
Inventories		33,850	34,312	77
Trade receivables		14,727	15,303	7,035
Other current assets		17,088	16,975	15,478
Due from subsidiaries (trade)		–	–	34,676
Fixed deposits		4,260	2,654	250
Cash and bank balances	Note 2	4,521	1,731	46
		<b>74,446</b>	<b>70,975</b>	<b>57,562</b>
<b>TOTAL ASSETS</b>		<b>112,890</b>	<b>109,539</b>	<b>86,302</b>
				<b>73,103</b>

**EQUITY AND LIABILITIES**

	Group US\$'000		Company US\$'000		
	2018 Unaudited	2017 Audited	2018 Unaudited	2017 Audited	
<b>Current liabilities</b>					
Trade payables and other current liabilities	6,801	8,115	730	818	
Due to subsidiaries (trade)	–	–	56,588	48,047	
Term loans (current portion)	2,185	1,039	1,250	–	
Trust receipts and acceptances payable	–	597	–	–	
Bank loans	32,716	32,809	–	–	
Income tax payable	1,097	1,499	2	1	
	<b>42,799</b>	<b>44,059</b>	<b>58,570</b>	<b>48,866</b>	
<b>NET CURRENT ASSETS (LIABILITIES)</b>	<b>31,647</b>	<b>26,916</b>	<b>(1,008)</b>	<b>(4,042)</b>	
<b>Non-current liabilities</b>					
Term loans	Note 3	5,913	1,634	3,750	–
Deferred tax liabilities		202	202	–	–
Other non-current liabilities		628	721	133	182
		<b>6,743</b>	<b>2,557</b>	<b>3,883</b>	<b>182</b>
<b>TOTAL LIABILITIES</b>		<b>49,542</b>	<b>46,616</b>	<b>62,453</b>	<b>49,048</b>
<b>Equity attributable to equity holder of the Company</b>					
Share capital		27,471	27,471	27,471	27,471
Share premium		4,721	4,721	4,721	4,721
Equity component of convertible bonds		267	267	267	267
Employee share option reserve		294	294	294	294
Actuarial on retirement obligation		249	73	94	31
Translation reserves		(88)	587	–	–
Other reserves		(167)	(167)	–	–
Revenue reserves		29,585	28,671	(8,998)	(8,730)
		<b>62,332</b>	<b>61,917</b>	<b>23,849</b>	<b>24,054</b>
<b>Non-controlling interests</b>		<b>1,016</b>	<b>1,006</b>	<b>–</b>	<b>–</b>
		<b>63,348</b>	<b>62,923</b>	<b>23,849</b>	<b>24,054</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>112,890</b>	<b>109,539</b>	<b>86,302</b>	<b>73,102</b>

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

Note 1 Increase in Asset held for leasing is due to linen supply for new hospital contracts.

Note 2 Increase in Cash and cash equivalents is due to improved operating cash flows and new loans.

Note 3 Increase in Term loans is due to new term loans during the year.

**1.(b)(ii) In relation to the aggregate amount of the group's borrowings and the 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 2018 US\$ '000 Unaudited		As at 31 December 2017 US\$ '000 Audited	
Secured	Unsecured	Secured	Unsecured
4,506	29,145	6,198	27,208

Amount repayable after one year

As at 31 December 2018 US\$ '000 Unaudited		As at 31 December 2017 US\$ '000 Audited	
Secured	Unsecured	Secured	Unsecured
5,338	1,826	600	2,072

Increase in secured loan is due to new availment of loans from Medtecs Bermuda.

**Details of any collateral**

Secured Group's borrowings repayable in one year or less comprised of:

- a.) Trust receipts and acceptances payable is nil and US\$597,489 as of 31 December 2018 and 31 December 2017, respectively, are secured by a pledge of certain merchandise, which is kept in trust for the bank.

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

**Full Year Statement of Cash Flows**

Group US\$'000	
Latest Year 2018 Unaudited	Previous Year 2017 Audited

**OPERATING ACTIVITIES**

Profit before taxation	1,186	955
Adjustments for:		
Depreciation and amortisation	2,429	2,724
Amortisation of assets held for leasing	2,525	2,076
Interest expense	1,797	1,443
Provision for inventory obsolescence	450	158
Provision for doubtful accounts	150	–
Other finance costs	201	324
Loss(gain) on disposal of assets held for leasing	23	15
Interest income	(111)	(13)
Operating profit before working capital changes	8,650	7,682
(Increase) decrease in:		
Inventories	(153)	17
Trade receivables	25	(2,198)
Other current assets	(114)	(1,541)
Increase (decrease) in:		
Trade payables and other current liabilities	(1,454)	(766)
Pension benefits obligation	82	81
Trust receipts and acceptances payable	(597)	(270)
Net cash generated from operations	6,439	3,005
Interest received	111	13
Other finance costs paid	(201)	(324)
Income taxes paid	(672)	(327)
Net cash flow generated from operating activities	5,677	2,367

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 (continuation)

Group US\$'000	
Latest Year 2018	Previous Year 2017 Audited

**INVESTING ACTIVITIES**

Purchases of :

Property, plant and equipment	(478)	(952)
Asset held for leasing	(3,694)	(2,143)
Proceeds from disposal of asset held for leasing	–	104
Decrease (increase) in other non-current assets	(687)	(1,673)
Net cash used in investing activities	(4,859)	(4,664)

**FINANCING ACTIVITIES**

Proceeds from term loans - net	5,425	3,234
Proceeds from (payments of) short-term bank loans	(93)	1,391
Increase/ (decrease) in fixed deposit	(1,606)	(735)
Interest paid	(1,797)	(1,443)
Increase in other non-current liability	44	–
Net cash flows generated by (used in) financing activities	1,973	2,447
Net increase in cash and bank balances	2,790	150
Cash and bank balances at beginning of year	1,731	1,581
Cash and bank balances at end of year	4,521	1,731

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

**Group**

	Attributable to equity holders of the Company								Non-controlling interests	Total Equity	
	Share capital	Share premium	Employee share option reserve	Equity component of convertible Bonds	Translation reserves	Revenue reserves	Other reserves	Total reserves			Actuarial Gain (Loss) on Retirement Obligation
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	
<b>Balance at 1 January 2017</b>	27,471	4,721	294	267	485	27,788	(167)	28,106	(14)	1,014	61,859
Net profit for the year	–	–	–	–	–	883	–	883	–	(10)	873
<u>Other Comprehensive Income for the year</u>											
Foreign currency translation reserves	–	–	–	–	102	–	–	102	–	2	104
Actuarial gains	–	–	–	–	–	–	–	–	87	–	87
Other Comprehensive Income for the year	–	–	–	–	102	–	–	102	87	2	191
Total Comprehensive Income for the year	–	–	–	–	102	883	–	985	87	(8)	1064
<b>Balance as at 31 December 2017</b>	27,471	4,721	294	267	587	28,671	(167)	29,091	73	1,006	62,923



**Group (continued)**

	Attributable to equity holders of the Company								Non-controlling interests	Total Equity	
	Share capital	Share premium	Employee share option reserve	Equity component of convertible Bonds	Translation reserves	Revenue reserves	Other reserves	Total reserves			Actuarial Gain (Loss) on Retirement Obligation
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000			US\$'000
<b>Balance at 31 December 2017 and 1 January 2018</b>	27,471	4,721	294	267	587	28,671	(167)	29,091	73	1,006	62,923
Net profit for the year	–	–	–	–	–	914	–	914	–	–	914
<u>Other Comprehensive Income for the year</u>											
Foreign currency translation reserves	–	–	–	–	(675)	–	–	(675)	–	10	(665)
Actuarial gains	–	–	–	–	–	–	–	–	176	–	176
Other comprehensive income for the year	–	–	–	–	(675)	–	–	(675)	176	10	(489)
Total Comprehensive Income/(loss) for the year	–	–	–	–	(675)	914	–	239	176	10	425
<b>Balance at 31 December 2018</b>	27,471	4,721	294	267	(88)	29,585	(167)	29,330	249	1,016	63,348

Company

	Attributable to equity holders of the Company						
	Share capital	Share premium	Employee share option reserve	Equity component of convertible bonds	Deficit	Actuarial Gain (Loss) on Retirement	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance at 1 January 2017</b>	27,471	4,721	294	267	(10,275)	17	22,495
Net loss for the year	–	–	–	–	1,545	–	1,545
Other Comprehensive Income for the year	–	–	–	–	–	14	14
Total Other Comprehensive Income for the year	–	–	–	–	–	14	14
<b>Balance at 31 December 2017 and 1 January 2018</b>	27,471	4,721	294	267	(8,730)	31	24,054
Net Income for the year	–	–	–	–	(270)	–	(270)
Other Comprehensive Income for the year	–	–	–	–	–	63	63
Total Other Comprehensive Income for the year	–	–	–	–	–	63	63
<b>Balance at 31 December 2018</b>	27,471	4,721	294	267	(9,000)	94	23,847

**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 the conversion of all the outstanding convertibles, if any, against the total number issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial year 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 year reported on and as at the end of the corresponding period of the immediately preceding financial year.**

None.

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

The total number of issued shares as at 31 December 2018 and 31 December 2017 was 549,411,240. There were no treasury shares as at the end of the current financial period reported on and as at the end of the immediately preceding year.

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

Not applicable.

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

Not applicable.

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

The figures have not been audited nor reviewed.

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

Not applicable.

**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 for the year ended 31 December 2017 except as described in Section 5 of this report.

**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.**

The Group has adopted Singapore Financial Reporting Standards (International) ("SFRS(I)"), a new financial reporting framework identical to the International Financial Reporting Standards, on 1 January 2018.

The Group also adopted the following SFRS(I) accounting standards that are effective for financial years beginning on or after 1 January 2018 and which are relevant to the Group's operations:

- SFRS(I) 9 Financial Instruments; and
- SFRS(I) 15 Revenue from Contracts with Customers.

The adoption of the new framework and standards has no material impact on the financial statements.

**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 Figures	
Latest Year FY18 Unaudited	Previous Year FY17 Audited

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

(i) Based on weighted average number of ordinary shares on issue	0.166 US cents	0.161 US cents
(ii) On a fully diluted basis	0.166 US cents	0.161 US cents

Explanatory note to 6 (i) and (ii):

Earnings per share for the financial year ended 31 December 2018 and 31 December 2017 are calculated based on existing issued share capital of 549,411,240. The full year earnings per share on a fully diluted basis are calculated on the weighted average number of shares of 549,411,240. There were no adjustments 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 Figures	
Latest Year As at 31 Dec 2018 Unaudited	Previous Year As at 31 Dec 2017 Audited

Net asset value per ordinary share based on the total number of shares excluding treasury shares as at the end of the period reported on	11.53 US cents	11.45 US cents
---	----------------	----------------

Company Figures	
Latest Year As at 31 Dec 2018 Unaudited	Previous Year As at 31 Dec 2017 Audited

Net asset value per ordinary share based on the total number of shares excluding treasury shares as at the end of the period reported on	4.34 US cents	4.38 US cents
---	---------------	---------------

Explanatory note to 7:

The net asset value per ordinary share is calculated based on 549,411,240 issued shares for the financial year ended 31 December 2018 and 31 December 2017.

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

### **Business Overview**

The Group benefitted from improved demands from its existing customers in FY18 leading to an increase in Group's revenue by 10.5% to US\$68.3 million in FY18 from US\$61.8 million in FY17. The Group's net profit increased to US\$914,000 in FY18 from US\$873,000 in FY17 coming from higher sales.

### **Revenues**

Revenues from the Original Product Manufacturing ("OPM") division increased by 13.8% to US\$52.2 million in FY18 from US\$45.9 million in FY17 due to higher orders from our existing customers.

Revenues from Hospital Services division improved by 4.6% to US\$13.9 million in FY18 from US\$13.3 million in FY17 attributable to higher linen consumptions in Taiwan and additional hospital contracts in Philippines. Revenues from Trading, Distribution and others decreased by 17.6% to US\$2.1 million in FY18 from US\$2.6 million in FY17 focusing on higher-margined sales.

### **Profitability**

The Group's gross profit increased by 6.3% to US\$10.3 million in FY18 from US\$9.7 million in FY17 arising from higher revenues. The Group's gross profit margins decreased slightly from 15.7% in FY2017 to 15.1% in FY2018 from higher raw materials and labor-related costs.

Gross Profit from the OPM division increased by 8.9% to US\$8.9 million in FY18 from US\$8.2 million in FY17 attributable to higher revenues. OPM Gross profits margins declined slightly by 0.8% to 17.0% in FY2018 from 17.8% in FY17 from higher labor and manufacturing costs.

Hospital Services division gross profit decreased by 30.7% to US\$1.0 million in FY18 from US\$1.5 million in FY17 due to higher linen amortization in Taiwan.

Gross Profit from Trading, Distribution and other division increased by 698.5% to US\$385,000 in FY18 from US\$48,000 in FY17 due to higher-margined sales.

The Group's net profit increased by 4.7% to US\$914,000 in FY18 from US\$873,000 in FY17 from higher sales

### **Cash Flows and Balance Sheet**

Total assets of the Group increased by US\$3.3 million to US\$112.9 million in FY18 from US\$109.5 million in FY17 mainly from higher level of operation. The Group's borrowings increased to US\$40.8 million in FY18 from US\$36.1 million in FY17 from new bank loans.

The Group generated an operating cash flow of US\$5.7 million in FY18 from the positive operating cash flow of US\$2.4 million in FY17. On its investing activities, US\$4.9 million was used for the linen replacement on existing hospital contracts as well as additional linens for the new hospitals services contract. Cash inflow of US\$1.9 million from financing activities was due to availments of new loans in Taiwan and Bermuda.

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

It was stated in the full year financial statement announcement dated 28 February 2018 and in the Company's annual report for the financial year 31 December 2017 that "Barring unforeseen circumstances, the Group expects to remain profitable this financial year". The Group results for the financial year ended 31 December 2018 are consistent with the prospects statements made.

**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.**

**Business Outlook**

The Group continues to grow its market in US, Europe and Asia Pacific Region. The Group also sees growth opportunities in the local domestic markets in Asia Pacific Region especially in Singapore, Philippines and China.

Hospital service division remains a growth area as more hospitals in the Philippines and Taiwan are shifting to outsourced linen management to focus on their core business.

Cost factors especially labor, energy and material cost remains to be a challenge but would focus on improving efficiencies and seek cost-control methods to counter rising material and labor cost.

The Company would continue to leverage its cost-efficient Cambodia production base to source new markets for institutional customers.

The company also remains vigilant on new markets for our personal protective apparels for safety and disease control prevention.

Barring unforeseen circumstances the Group expects to remain profitable in financial year ending 31 December 2019.

**11. Dividend:**

*If a decision regarding dividend has been made:-*

**(a) Whether an interim (final) dividend has been declared (recommended); and**

None.

**(b) Previous corresponding period (cents)**

None.

**(c) The date the dividend is payable**

Not applicable.

**(d) 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 / recommended for the financial year ended 31 December 2018, to conserve cash to meet higher working capital requirements and capital expenditures so as to improve the efficiency of our operation.

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(I).**

The Company has procured undertakings from all its directors and executive officers (in the format as set out in Appendix 7H) in accordance with Rule 720(I) 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**

	<b>USA</b>	<b>ASIA PACIFIC</b>	<b>EUROPE</b>	<b>CANADA</b>	<b>GROUP</b>
<b>2018</b>					
Turnover	7,825	28,468	32,007	4	<u>68,304</u>
Results	352	1,281	1,440	–	3,073
Financial expenses					(1,998)
Financial income					111
Taxation					(272)
Net profit					<u><u>914</u></u>
Total assets	543	110,813	1,534	–	112,890
Total liabilities	–	–	–	–	49,542
Capital expenditure	–	–	–	–	478
Depreciation and amortisation	–	–	–	–	5,053
Provision for inventory obsolescence	–	–	–	–	450
Provision for doubtful accounts	–	–	–	–	150
Other non-cash expenses	–	–	–	–	1,919

	USA	ASIA PACIFIC	EUROPE	GROUP
<b>2017</b>				
Turnover	6,076	25,915	29,835	61,826
Results	265	1,145	1,299	2,709
Financial expenses				(1,767)
Financial income				13
Taxation				(82)
Net profit				873
Total assets	543	107,462	1,534	109,539
Total liabilities	–	46,616	–	46,616
Capital expenditure	–	1,028	–	1,028
Depreciation and amortization	–	4,800	–	4,800
Provision for inventory obsolescence	–	158	–	158
Other non-cash expenses	–	1,754	–	1,754

Business Segment	Turnover (US\$'000)			Profit Before Taxation and Minority Interest (US\$'000)		
	Latest Year FY18 Unaudited	Previous Year FY17 Audited	% Change	Latest Year FY18	Previous Year FY17	% Change
	Manufacturing	52,209	45,884	13.8	826	2,677
Hospital Services	13,965	13,356	4.6	230	878	(73.8)
Distribution and Others	2,130	2,586	(17.6)	130	(2,600)	105.0
Total	68,304	61,826	10.5	1,186	955	24.2

Revenues include rental income amounting to US\$0.2 million in FY18 and nil in FY17.

**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)
	2018	2017	
Sales reported for first half year	32,963	32,235	2.26
Operating profit / loss after tax before deducting minority interests reported for first half year	352	541	(34.94)
Sales reported for second half year	35,342	29,591	19.43
Operating profit / loss after tax before deducting minority interests reported for second half year	562	332	69.28

**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:**

Not applicable.

**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	64	Spouse of Mr. Clement Yang Ker-Cheng, Executive Chairman of the Company and mother to Mr. William Yang Weiyuan, Chief Executive Officer of the Company.	Non-Executive Chairman of Medtecs (Taiwan) Corporation since 2 May 2018.	None.

**BY ORDER OF THE BOARD**

Clement Yang Ker-Cheng  
 Executive Chairman  
 27 February 2019