

MEDTECS INTERNATIONAL CORPORATION LIMITED

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Unaudited Half Year Financial Statements For The Period Ended 30 June ("1H") 2026

CONDENSED INTERIM STATEMENTS OF INCOME

	Group		
	US\$'000		%
	Latest Half Year Ended 30 June 2026	Previous Half Year Ended 30 June 2025	Increase/ (Decrease)
Revenue	42,315	36,438	16.1
Costs of sales and services	(35,112)	(28,954)	21.3
Gross profit	7,203	7,484	(3.8)
Other items of income			
Other operating income, net	1,781	108	N.M.
Financial income	249	632	(60.6)
Other items of expense			
Distribution and selling expenses	(2,739)	(2,891)	(5.3)
Administrative expenses	(5,684)	(4,753)	19.6
Financial expenses	(335)	(337)	(0.6)
Profit before tax	475	243	95.5
Income tax expense	(10)	(63)	(84.1)
Net profit for the period	465	180	158.3
Attributable to:			
Equity holders of the Company	463	178	160.1
Non-controlling interests	2	2	-
Net profit for the period	465	180	158.3

US\$'000	
Latest Half Year Ended 30 June 2026	Previous Half Year Ended 30 June 2025

Depreciation	1,688	1,766
Amortisation of:		
Assets held for leasing	973	977
Right-of-use assets	413	365
Intangible assets	125	125
Interest expense on:		
Loans	204	211
Lease liabilities	108	97
Provision for expected credit losses on non-trade receivables	1,000	–
Reversal of write-down of inventory	(297)	(1,440)
Other finance cost	23	29
Gain on deconsolidation of subsidiary	(1,045)	–
Interest income	(249)	(632)
Foreign exchange losses	40	465

N.M.: Not meaningful

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

	Group		
	US\$'000		%
	Latest Half Year Ended 30 June 2026	Previous Half Year Ended 30 June 2025	Increase/ (Decrease)
Net profit after tax	465	180	158.3
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange difference on consolidation	(10)	459	(102.2)
Actuarial losses	–	(106)	(100.0)
Total comprehensive income	455	533	(14.6)
Attributable to:			
Equity holders of the Company	453	531	(14.7)
Non-controlling interests	2	2	–
Total comprehensive income	455	533	(14.6)

CONDENSED INTERIM BALANCE SHEETS

		Group US\$'000		Company US\$'000	
		30 June 2026	31 Dec 2025	30 June 2026	31 Dec 2025
ASSETS					
Non-current assets					
Property, plant and equipment, net	Note 1	16,261	51,612	13	21
Investment properties		2,228	2,283	—	—
Assets held for leasing		3,516	3,751	—	—
Right-of-use of assets		10,291	9,723	188	248
Net investment in sub-lease		—	—	3,874	4,271
Investment in subsidiaries		—	—	50,749	50,749
Intangible assets		2,828	2,839	—	—
Non-trade receivables	Note 2	19,690	—	—	—
Deferred tax assets		1,581	1,581	—	—
Other non-current assets		1,267	1,358	108	108
		57,662	73,147	54,932	55,397
Current assets					
Inventories	Note 3	23,737	28,215	356	603
Trade receivables	Note 4	14,012	19,252	123	117
Other current assets		5,170	5,761	283	242
Non-trade receivables	Note 2	6,900	—	—	—
Fixed deposits	Note 5	10,319	3,865	47	47
Cash and bank balances	Note 5	12,450	15,503	1,714	1,397
		72,588	72,596	2,523	2,406
TOTAL ASSETS		130,250	145,743	57,455	57,803

EQUITY AND LIABILITIES

EQUITY AND LIABILITIES		Group		Company	
		US\$'000		US\$'000	
		30 June 2026	31 Dec 2025	30 June 2026	31 Dec 2025
Current liabilities					
Accounts payable and other current liabilities	Note 6	5,048	20,571	660	700
Lease liabilities		819	819	148	148
Due to subsidiaries (trade)		—	—	18,594	19,589
Bank loans		17,497	17,536	—	—
Income tax payable		623	808	—	—
		23,987	39,734	19,402	20,437
NET CURRENT ASSETS/(LIABILITIES)		48,601	32,862	(16,879)	(18,031)
Non-current liabilities					
Lease liabilities – net of current portion		3,039	3,336	232	288
Deferred tax liabilities		589	501	18	18
Other non-current liabilities		132	124	103	98
		3,760	3,961	353	404
TOTAL LIABILITIES		27,747	43,695	19,755	20,841
NET ASSETS		102,503	102,048	37,700	36,962
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		153	153	116	116
Foreign currency translation reserve		(1,267)	(1,257)	—	—
Other reserves		394	394	561	561
Revenue reserves		72,902	72,439	7,192	6,454
Less: Treasury shares		(2,361)	(2,361)	(2,361)	(2,361)
		102,013	101,560	37,700	36,962
Non-controlling interests		490	488	—	—
Total equity		102,503	102,048	37,700	36,962
TOTAL EQUITY AND LIABILITIES		130,250	145,743	57,455	57,803

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

Note 1 Decrease in Property, Plant and Equipment, net was due to the impact of the deconsolidation of RMKH Glove (Cambodia) Co., Ltd. (“**RMKH Cambodia**”) from the Group, after the disposal of its 100% equity interest to Shijiazhuang Hongray Group Co., Ltd. (“**Hongray**”), resulting in derecognition of fixed assets amounting to US\$34.2 million, while also recognizing depreciation expenses of US\$1.6 million.

Note 2 Increase in Non-trade Receivables amounting to US\$26.6 million is also due to the impact of the disposal and deconsolidation of RMKH Cambodia from the Group, resulting in recognition of the receivables from Hongray amounting to US\$5.6 million for the remaining consideration of the Disposal Agreement to be collected within FY2026, and outstanding receivables from RMKH Cambodia to the Group amounting to US\$21.0 million. This pertains to accumulated advances by the Group to RMKH Cambodia, mostly for financing the construction of the glove factory and working capital requirements in Cambodia. The non-trade receivables are secured with a pledge of RMKH Cambodia’s building and six nitrile glove production lines.

Note 3 Decrease in Inventories is primarily due to the impact of the deconsolidation of RMKH Cambodia from the Group, resulting in derecognition of RMKH Cambodia’s inventories amounting to US\$5.7 million.

Note 4 Decrease in Trade Receivables is primarily due to the impact of the deconsolidation of RMKH Cambodia from the Group, resulting in derecognition of RMKH Cambodia’s trade receivable amounting to US\$6.1 million.

Note 5 Net increase in Cash and Bank Balances and Fixed Deposits is mainly due to the collection of the partial consideration from Hongray amounting to US\$7.5 million for the Disposal Agreement of RMKH Cambodia, net of the working capital requirements of the Group during the period.

Note 6 Decrease in Accounts Payable and Other Current Liabilities is primarily due to the impact of the deconsolidation of RMKH Cambodia from the Group, resulting in derecognition of RMKH Cambodia’s accounts payables and other current liabilities amounting to US\$15.0 million.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

Group US\$'000	
Latest Half Year Ended 30 June 2026	Previous Half Year Ended 30 June 2025

OPERATING ACTIVITIES

Profit before tax	475	243
Adjustments for:		
Depreciation	1,688	1,766
Amortization of:		
Assets held for leasing	973	977
Right-of-use assets	413	365
Intangible assets	125	125
Provision for expected credit losses on non-trade receivables	1,000	–
Reversal of write-down of inventory	(297)	(1,440)
Financial expense	312	308
Other finance costs	23	29
Gain on deconsolidation of subsidiary	(1,045)	–
Financial income	(249)	(632)
Unrealized foreign exchange losses	36	506
Net changes in pension benefits obligation	8	(193)
Operating cash flows before working capital changes	3,462	2,054
Change in operating assets:		
Other current assets	(182)	2,063
Trade receivables	(2,104)	(7,393)
Inventories	(1,062)	(1,136)
Change in operating liabilities:		
Accounts payable and other current liabilities	(607)	(429)
Net cash used in operations	(493)	(4,841)
Income taxes paid	(105)	(119)
Other finance costs paid	(23)	(29)
Net cash used in operating activities	(621)	(4,989)

Group US\$'000	
Latest Half Year Ended 30 June 2026	Previous Half Year Ended 30 June 2025

INVESTING ACTIVITIES

Purchases of:

Property, plant and equipment	(530)	(1,315)
Assets held for leasing	(738)	(1,190)
Intangible assets	(114)	–

Decrease/(Increase) in:

Fixed deposits	(6,519)	786
Right-of-use assets	(1,000)	–
Other non-current assets	(129)	(213)

Interest received	249	632
Net cash acquired from acquisition of subsidiary	–	757
Proceeds from sale of subsidiary, net of cash transferred	6,550	–
Net cash used in investing activities	(2,231)	(543)

FINANCING ACTIVITIES

Proceeds from/(Payment of) short-term bank loans – net	318	(509)
Uplift of fixed deposits	65	2,444
Interest paid	(204)	(211)
Payment of lease liabilities	(380)	(322)
Net cash (used in)/generated from financing activities	(201)	1,402

Net decrease in cash and bank balances	(3,053)	(4,130)
Cash and bank balances at beginning of period	15,503	16,789
Cash and bank balances at end of period	12,450	12,659

CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY

Group

US\$'000										
Attributed to equity holders of the Group								Non-controlling interests	Total equity	
Share capital	Share premium	Actuarial gains	Translation reserves	Revenue reserves	Other Reserves	Total reserves	Treasury shares			
Balance at 31 December 2024	27,471	4,721	249	(1,509)	77,204	394	76,089	(2,361)	483	106,652
Net income for the period	–	–	–	–	178	–	178	–	2	180
Other comprehensive income (loss)	–	–	(106)	459	–	–	459	–	–	353
Total comprehensive income (loss) for the period	–	–	(106)	459	178	–	637	–	2	533
Balance at 30 June 2025	27,471	4,721	143	(1,050)	77,382	394	76,726	(2,361)	485	107,185
Net loss for the period	–	–	–	–	(4,943)	–	(4,943)	–	3	(4,940)
Other comprehensive income (loss)	–	–	10	(207)	–	–	(207)	–	–	(197)
Total comprehensive income (loss) for the period	–	–	10	(207)	(4,943)	–	(5,150)	–	3	(5,137)
Balance at 31 December 2025	27,471	4,721	153	(1,257)	72,439	394	71,576	(2,361)	488	102,048
Net profit for the period	–	–	–	–	463	–	463	–	2	465
Other comprehensive income (loss)	–	–	–	(10)	–	–	(10)	–	–	(10)
Total comprehensive income (loss) for the period	–	–	–	(10)	463	–	453	–	2	455
Balance at 30 June 2026	27,471	4,721	153	(1,267)	72,902	394	72,029	(2,361)	490	102,503

Company

	US\$'000							
	Share capital	Share premium	Actuarial gains	Revenue reserves	Other reserves	Total reserves	Treasury shares	Total equity
Balance at 31 December 2024	27,471	4,721	112	13,475	561	14,036	(2,361)	43,979
Net loss for the period	–	–	–	(98)	–	(98)	–	(98)
Other comprehensive loss for the period	–	–	(5)	–	–	–	–	(5)
Total comprehensive loss for the period	–	–	(5)	(98)	–	(98)	–	(103)
Balance at 30 June 2025	27,471	4,721	107	13,377	561	13,938	(2,361)	43,876
Net loss for the period	–	–	–	(6,923)	–	(6,923)	–	(6,923)
Other comprehensive income for the period	–	–	9	–	–	–	–	9
Total comprehensive income (loss) for the period	–	–	9	(6,923)	–	(6,923)	–	(6,914)
Balance at 31 December 2025	27,471	4,721	116	6,454	561	7,015	(2,361)	36,962
Net profit for the period, representing total comprehensive income for the period	–	–	–	738	–	738	–	738
Balance at 30 June 2026	27,471	4,721	116	7,192	561	7,753	(2,361)	37,700

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

These notes form an integral part of the condensed interim financial statements.

1. CORPORATE INFORMATION

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

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

The principal activities of the Company are manufacturing and selling of medical supplies and equipment and woven and knitted medical textile products and nitrile gloves.

The condensed interim consolidated financial statements have not been audited or reviewed by auditors.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND ACCOUNTING ESTIMATES

2.1 Basis of preparation

The condensed interim 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 interim financial statements of the Group for the six months ended 30 June 2026 have been prepared in accordance with SFRS(I) 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The condensed interim 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 2025.

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 interim 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

New standards, amendments to standards and interpretations that have been issued at the end of the reporting period but are not yet effective for the half-year ended 30 June 2026 have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group and the Company.

2.3 Use of judgments and estimates

In preparing the condensed interim 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 2025.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

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, blankets, bed linens and medical bandages. These medical consumables are supplied to large multinational corporate medical distributors, group purchasing organisations, pharmaceutical companies and hospital groups in North America and Europe.

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

The *distribution segment* markets Medtecs-branded medical consumables to hospitals, pharmacies and other end users in Asia Pacific and through online channels. The Group also leverages its distribution network to market other branded medical supplies and equipment such as wheelchairs, syringes, and wireless hand-held ultrasounds.

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.

(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 half-years ended 30 June 2026 and 30 June 2025.

Half-Year Ended 30 June 2026

	Manufacturing US\$'000	Hospital services US\$'000	Distribution and others US\$'000	Group US\$'000
Revenue	32,270	8,836	1,209	42,315
Results	(671)	1,184	48	561
Financial expenses				(335)
Financial income				249
Income tax expense				(10)
Net profit for the period				465
Total assets	112,079	14,003	4,168	130,250
Total liabilities	27,294	446	7	27,747
Other segment information:				
Capital expenditure	339	191	—	530
Depreciation and amortization	1,856	1,288	55	3,199
Provision for expected credit losses	1,000	—	—	1,000
Reversal of write-down of inventory	(297)	—	—	(297)
Gain on deconsolidation of subsidiary	(1,045)	—	—	(1,045)
Other non-cash expenses - net	191	—	—	191

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

3. SEGMENT AND REVENUE INFORMATION (continued)

(a) Business segments (continued)

Half-Year Ended 30 June 2025

	Manufacturing US\$'000	Hospital services US\$'000	Distribution and others US\$'000	Group US\$'000
Revenue	26,611	8,598	1,229	36,438
Results	(1,273)	1,227	(6)	(52)
Financial expenses				(337)
Financial income				632
Income tax expense				(63)
Net profit for the period				180
Total assets	121,804	14,037	4,700	140,541
Total liabilities	33,035	317	4	33,356
<i>Other segment information:</i>				
Capital expenditure	112	1,203	–	1,315
Depreciation and amortization	1,876	1,302	55	3,233
Reversal of write-down of inventory	(1,440)	–	–	(1,440)
Other non-cash expenses - net	313	–	–	313

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

3. SEGMENT AND REVENUE INFORMATION (continued)

(b) Geographical segments

Significant revenue and non-current assets information based on the geographical location of customers and assets respectively are as follows:

	Sales to external customers		Non-current assets	
	1H2026 US\$'000	1H2025 US\$'000	1H2026 US\$'000	FY2025 US\$'000
Singapore	—	—	—	5
Philippines	1,559	1,591	8,245	8,760
Cambodia	—	1,541	29,757	45,034
Taiwan	9,083	14,300	13,522	14,126
China	—	—	985	1,023
Bermuda	—	—	5,153	4,199
Luxembourg	9,903	10,666	—	—
United States of America	15,684	5,017	—	—
United Kingdom	5,462	3,124	—	—
Others	624	199	—	—
	42,315	36,438	57,662	73,147

Disaggregation of revenue

	Manufacturing		Hospital Services		Distribution and Others		Total	
	1H2026 US\$'000	1H2025 US\$'000	1H2026 US\$'000	1H2025 US\$'000	1H2026 US\$'000	1H2025 US\$'000	1H2026 US\$'000	1H2025 US\$'000

Primary geographical markets

North America	15,818	4,366	—	—	—	—	15,818	4,366
Asia Pacific	1,071	8,045	8,836	8,598	1,209	1,229	11,116	17,872
Europe	15,365	14,179	—	—	—	—	15,365	14,179
Australia	16	21	—	—	—	—	16	21
	32,270	26,611	8,836	8,598	1,209	1,229	42,315	36,438

Timing of transfer of goods or services

At a point in time	32,270	26,611	—	—	905	925	33,175	27,536
Over time	—	—	8,836	8,598	304	304	9,140	8,902
	32,270	26,611	8,836	8,598	1,209	1,229	42,315	36,438

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

4. FINANCIAL INSTRUMENTS

As at 30 June 2026

Group	Financial assets US\$'000	Financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	22,769	–	22,769
Trade receivables	14,012	–	14,012
Non-trade receivables	26,590	–	26,590
Other current assets*	2,597	–	2,597
	<u>65,968</u>	<u>–</u>	<u>65,968</u>
Financial liabilities:			
Bank loans	–	(17,497)	(17,497)
Trade payables and other current liabilities**	–	(5,011)	(5,011)
Lease liabilities	–	(3,858)	(3,858)
	<u>–</u>	<u>(26,366)</u>	<u>(26,366)</u>
	<u>65,968</u>	<u>(26,366)</u>	<u>39,602</u>

*excluding non-financial assets

**excluding non-financial liabilities

As at 30 June 2026

Company	Financial assets US\$'000	Financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	1,761	–	1,761
Trade receivables	123	–	123
Other current assets*	153	–	153
Net investment on sub-lease	3,874	–	3,874
	<u>5,911</u>	<u>–</u>	<u>5,911</u>
Financial liabilities:			
Trade payables and other current liabilities**	–	(656)	(656)
Due to subsidiaries (trade)	–	(18,594)	(18,594)
Lease liabilities	–	(380)	(380)
	<u>–</u>	<u>(19,630)</u>	<u>(19,630)</u>
	<u>5,911</u>	<u>(19,630)</u>	<u>(13,719)</u>

*excluding non-financial assets

**excluding non-financial liabilities

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

4. FINANCIAL INSTRUMENTS (continued)

As at 31 December 2025

Group	Financial assets US\$'000	Financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	19,368	–	19,368
Trade receivables	19,252	–	19,252
Other current assets*	2,232	–	2,232
	<u>40,852</u>	<u>–</u>	<u>40,852</u>
Financial liabilities:			
Bank loans	–	(17,536)	(17,536)
Trade payables and other current liabilities**	–	(10,509)	(10,509)
Lease liabilities	–	(4,155)	(4,155)
	<u>–</u>	<u>(32,200)</u>	<u>(32,200)</u>
	<u>40,852</u>	<u>(32,200)</u>	<u>8,652</u>

*excluding non-financial assets

**excluding non-financial liabilities

As at 31 December 2025

Company	Financial assets US\$'000	Financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	1,444	–	1,444
Trade receivables	117	–	117
Other current assets*	158	–	158
Net investment on sub-lease	4,271	–	4,271
	<u>5,990</u>	<u>–</u>	<u>5,990</u>
Financial liabilities:			
Trade payables and other current liabilities**	–	(696)	(696)
Due to subsidiaries (trade)	–	(19,589)	(19,589)
Lease liabilities	–	(436)	(436)
	<u>–</u>	<u>(20,721)</u>	<u>(20,721)</u>
	<u>5,990</u>	<u>(20,721)</u>	<u>(14,731)</u>

*excluding non-financial assets

**excluding non-financial liabilities

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

5. TAXATION

The major components of income tax expense for the half-years ended 30 June 2026 and 30 June 2025 are:

	Group		Company	
	1H2026	1H2025	1H2026	1H2025
	US\$'000	US\$'000	US\$'000	US\$'000
Current	25	57	—	—
Deferred income tax:				
Origination and reversal of temporary differences	(15)	6	—	—
Income tax expense recognised in the profit and loss accounts	10	63	—	—

6. DIVIDENDS

No dividends were declared in 1H2026 and FY2025.

7. INVESTMENT PROPERTIES

	Group	
	2026	2025
	US\$'000	US\$'000
Cost:		
As at 1 January	5,465	5,465
Accumulated depreciation:		
As at 1 January	3,182	3,071
Depreciation charge for the period	55	55
As at 30 June	3,237	3,126
Net carrying amount as at 30 June	2,228	2,339

The Group's investment properties includes buildings 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 INTERIM FINANCIAL STATEMENTS (continued)

7. INVESTMENT PROPERTIES (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 11.1% 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 2025, fair market value of the investment properties, which is based on its highest and best use, amounted to US\$3.5 million. The fair value is categorised under Level 3 (valuation techniques for which the lowest level input that is significant to the fair value measurement is not based on observable data) fair value hierarchy.

8. LOANS AND BORROWINGS

Amount repayable in one year or less, or on demand

As at 30 June 2026 US\$'000		As at 31 December 2025 US\$'000	
Secured	Unsecured	Secured	Unsecured
15,926	1,571	15,942	1,594

Details of any collateral

Secured short-term bank loans of approximately US\$15.9 million as of 30 June 2026 and 31 December 2025, are secured by property, plant and equipment and guarantee deposit, with net book values of approximately US\$12.7 million and US\$6.4 million as of 30 June 2026 and 31 December 2025, respectively.

9. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2026, the Group acquired property, plant and equipment amounting to US\$0.5 million (30 June 2025: US\$1.3 million).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

10. SHARE CAPITAL

10.1 Share Capital

	<u>Group and Company</u>
	US\$'000
Authorised	
As at 1 January 2025, 31 December 2025 and 30 June 2026	50,000
- 1,000,000,000 ordinary shares of US\$0.05 each	
Issued and paid up	
As at 1 January 2025, 31 December 2025 and 30 June 2026	27,246
- 544,911,240 ordinary shares of US\$0.05 each	

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.

10.2 Treasury Shares

	<u>Group and Company</u>
	US\$'000
As at 1 January 2025, 31 December 2025 and 30 June 2026	2,361
- 4,500,000 treasury shares	

There were no changes in the share capital of the Company in the half-year ended 30 June 2026.

The total number of issued Shares (excluding treasury shares) as at 30 June 2026 and 31 December 2025 was 544,911,240. The total number of treasury shares as at 30 June 2026 and 30 June 2025 was 4,500,000, which represented approximately 0.83% of the total number of issued Shares (excluding treasury shares) of 544,911,240 as at 30 June 2026 and 30 June 2025.

The Company had no convertibles or subsidiary holdings as at 30 June 2026 and 30 June 2025.

11. SUBSEQUENT EVENTS

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

OTHER INFORMATION REQUIRED UNDER APPENDIX 7C OF THE SGX-ST LISTING MANUAL SECTION B: RULES OF CATALIST

- 1. 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 2025.

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

Not Applicable.

- 3. 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: (a) based on the weighted average number of ordinary shares on issue and (b) on a fully diluted basis (detailing any adjustments made to the earnings).**

Group	
First Half Ended 30 June 2026	First Half Ended 30 June 2025

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 during the period	0.085 US cents	0.033 US cents
(ii) On a fully diluted basis	0.085 US cents	0.033 US cents

Explanatory note to 3 (i) and (ii)

Earnings per share for the six-month periods ended 30 June 2026 and 30 June 2025 are calculated based on the weighted average number of issued ordinary shares, excluding treasury shares, during the six-month periods ended 30 June 2026 and 30 June 2025 of 544,911,240.

- 4. 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	
As at 30 June 2026	As at 31 December 2025

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

18.72 US cents 18.64 US cents

Company	
As at 30 June 2026	As at 31 December 2025

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

6.92 US cents

6.78 US cents

Explanatory note to 4

The net asset value per ordinary share is calculated based on 544,911,240 issued shares, excluding treasury shares, as at 30 June 2026 and 31 December 2025.

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

Business Overview

The Group's revenue increased by 16.1% from US\$36.4 million in 1H2025 to US\$42.3 million in 1H2026, mainly driven by higher sales contributions from existing customers of the nitrile glove factory, amounting to US\$12.0 million. Excluding the one-off orders from some OEM customers in 1H2025, revenue from the Group's core OEM business remains stable in 1H2026. The Group also leveraged on new hospital contracts and renewals, improving revenue from its hospital services by 2.8%.

Revenue

Revenue from the Manufacturing division increased by 21.3% from US\$26.6 million in 1H2025 to US\$32.3 million in 1H2026 due to higher sales from nitrile gloves.

Revenue from the Hospital Services division increased by 2.8% from US\$8.6 million in 1H2025 to US\$8.8 million in 1H2026 due to higher linen utilization, contract price increase from renewals and new hospital contracts in Taiwan and Philippines.

Revenue from the Trading and Distribution division slightly decreased by 1.6% from US\$1.23 million in 1H2025 to US\$1.21 million in 1H2026 arising from lower demand for our healthcare products in Taiwan due to competition.

Profitability

The Group's gross profit decreased by 3.8% from US\$7.5 million in 1H2025 to US\$7.2 million in 1H2026 mainly due to decline in sales from OEM customers and higher operating costs from hospital services. The Group's gross profit margin also decreased from 20.5% in 1H2025 to 17.0% in 1H2026 mainly due to lower-margined nitrile glove sales.

Gross profit from the Manufacturing division slightly decreased by 1.7% from US\$5.3 million in 1H2025 to US\$5.2 million in 1H2026 due to lower sales from OEM customers.

Gross profit from the Hospital Services division decreased by 9.2% from US\$2.0 million in 1H2025 to US\$1.8 million in 1H2026 due to increase in laundry costs and write-off of old laundry factory supplies, but mitigated by increase in price from contract renewals and better linen management.

Gross profit from the Trading and Distribution division decreased by 4.4% from US\$152,000 in 1H2025 to US\$145,000 in 1H2026 due to decline in demand and product offerings in the Taiwan domestic market due to competition.

Other operating income increased significantly by 1,549.1% from US\$108,000 in 1H2025 to US\$1.8 million in 1H2026 primarily due to gain on deconsolidation of RMKH Cambodia of US\$1.0 million, better management of foreign currency exchange exposures and higher scrap sales during the period.

Distribution and selling expenses decreased by 5.3% from US\$2.9 million in 1H2025 to US\$2.7 million in 1H2026 due to lower freight and advertising costs following lower e-commerce sales. Administrative expenses increased by 19.6% from US\$4.8 million in 1H2025 to US\$5.7 million in 1H2026 due to general provision for expected credit losses on non-trade receivables of US\$1.0 million mainly related to the disposal of RMKH Cambodia.

Financial expenses slightly decreased by 0.6% from US\$337,000 in 1H2025 to US\$335,000 in 1H2026 due to fewer availments of bank loans. Financial income decreased by 60.6% from US\$632,000 in 1H2025 to US\$249,000 in 1H2026 due to lower interest income earned from fewer fixed deposit placements made and redemption of bonds in Cambodia last year.

Income tax expenses decreased by 84.1% from US\$63,000 in 1H2025 to US\$10,000 in 1H2026 due to lower net operating profit in some subsidiaries in 1H2026.

Overall, the Group's net profit after tax increased to US\$465,000 in 1H2026 from US\$180,000 in 1H2025 mainly due to higher other operating income.

Cash Flow and Balance Sheet

The Group's total assets decreased from US\$145.7 million as at 31 December 2025 to US\$130.3 million as at 30 June 2026 mainly due to the impact of the disposal and deconsolidation of RMKH Cambodia from the Group, resulting in decrease in inventories, trade receivables and property, plant and equipment of US\$5.7 million, US\$6.1 million and US\$34.2 million, respectively. On the other hand, the Group recognized non-trade receivables amounting to US\$26.6 million, arising from the Group's receivables from RMKH Cambodia of US\$21.0 million and remaining disposal consideration from Hongray of US\$5.6 million. Following the disposal of RMKH Cambodia, the Group had higher net cash mainly from the initial proceeds amounting to US\$7.5 million, net of working capital requirements of the Group during the period. The Group's total liabilities decreased from US\$43.7 million as at 31 December 2025 to US\$27.7 million as at 30 June 2026, also mainly due to the disposal and deconsolidation of RMKH Cambodia from the Group, resulting in derecognition of accounts payable and other current liabilities amounting to US\$15.0 million.

The Group's cash outflow from operating activities decreased to US\$621,000 in 1H2026 from US\$5.0 million in 1H2025 due to higher operating income generated and fewer working capital requirements during the period. Cash outflow from investing activities increased to US\$2.2 million in 1H2026 from US\$543,000 in 1H2025, due to higher fixed deposit placements and new capital expenditures, partially offset by the net proceeds received from the disposal of RMKH Cambodia. Cash outflow from financing activities amounted to US\$201,000 in 1H2026 from a cash inflow in 1H2025 of US\$1.4 million due to fewer loan availments.

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

No forecast or prospect statement has been disclosed to shareholders previously.

7. 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.

As we look ahead to the second half of 2026 and the following 12 months, the global operating environment remains uncertain, with ongoing geopolitical tensions, evolving trade policies, inflationary pressures and intense price competition. Against this backdrop, the Group will remain focused on disciplined execution, cash preservation and selective investment in businesses where it has established capabilities. Our priorities are to strengthen the core original equipment manufacturing (OEM) business, expand healthcare services, improve asset and working-capital efficiency, and continue targeted investments in automation, digitalisation and sustainable product development. These initiatives are intended to support revenue resilience, recurring profitability and long-term shareholder value.

Strengthening the Core OEM Business and Improving Asset Efficiency

The Group's core OEM business remains resilient, supported by established customer relationships and recurring demand. We will continue to broaden our product and customer pipeline, prioritise strategic, multi-year partnerships over purely transactional engagements, and deepen market penetration in established regions, including the United States, Europe, Taiwan and the Philippines, while selectively pursuing opportunities in high-potential emerging markets.

To compete on value rather than price alone, the Group is refining its product segmentation across entry-level, mid-tier and premium offerings. This strategy will be underpinned by product quality, reliable delivery, regulatory capabilities and technical expertise. We will also continue to expand our portfolio of regulatory-certified and sterilised products, subject to the relevant approvals, and use AI-enabled analytics to improve our understanding of market trends, customer requirements and product customisation opportunities.

Medtecs will continue to improve operational efficiency and cost competitiveness by streamlining manufacturing processes and increasing responsiveness to changing demand. Investments in automation, including automated fabric inspection systems, flatbed cutters and automated pocket stitching machines, have improved production throughput and efficiency. In the coming periods, management will focus on capacity utilisation, production yield, labour productivity, procurement efficiency, product mix and delivery reliability to help offset cost pressures and support margins.

Expanding Healthcare Services

Demand for outsourced hospital support services continues to provide growth opportunities. Drawing on the Group's long-standing operations and service capabilities in the Philippines and Taiwan, we will selectively pursue new service contracts and broaden our service offerings, while maintaining service quality, operating discipline and working-capital control.

Harnessing Technology and Sustainability Initiatives

To support long-term competitiveness, the Group will continue to advance two strategic pillars through targeted and commercially disciplined investment:

- **Digital Transformation and AI Integration:** We are embedding AI and automation in selected operations to improve precision, productivity and supply chain responsiveness. The Group will continue workforce upskilling, practical AI workshops and implementation of its Artificial Intelligence Usage Policy to support responsible deployment. The objective is to improve production consistency, strengthen decision-making and reduce reliance on manual processes.
- **Sustainability and Product Innovation:** Sustainability remains an important product and operational consideration as customer and regulatory requirements evolve. The Group will continue to develop commercially viable eco-friendly products and packaging, including biodegradable materials for selected PPE accessories and HDPE and paper-based packaging for relevant markets. Stronger supplier partnerships and logistics optimisation will also support supply chain resilience, cost efficiency and business continuity.

Legal Excellence

In August 2026, the Group's Legal & Compliance team was shortlisted in the Asian In-House Legal Team of the Year category at The Asia Legal Awards 2026, presented by Law.com International. Our dedicated Legal & Compliance team supports the Group in strategic transactions, governance, compliance and cross-border legal matters, and uses technology to improve the efficiency and consistency of legal operations.

Strategic Realignment and Capital Discipline

Under the agreed disposal arrangements, the Group received consideration corresponding to more than 50% of the equity interest in RMKH Cambodia by the end of May 2026 and accordingly deconsolidated RMKH Cambodia with effect from June 2026. Period-on-period revenue comparability may therefore be affected, while the Group's exposure to RMKH Cambodia's operating losses and future capital commitments has been reduced.

Going forward, the management team will remain focused on strengthening the Group's core businesses, exercising tighter cost control, improving operational efficiency, and enhancing the profitability of its product and customer mix. Profitability will continue to be affected by raw material price volatility, price competition, and the timing and cost of investments in technology, automation, and sustainability. The Group will maintain disciplined capital allocation and prioritize the improvement of recurring earnings, operating cash flow, and overall financial resilience.

8. 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**

Not applicable.

(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

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

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

10. 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.

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

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

12. Disclosures on Incorporation, Acquisition and Realisation of Shares pursuant to Rule 706A

On 10 April 2026, the Group entered into a Disposal Agreement with Shijiazhuang Hongray Group Co., Ltd. for the proposed disposal of its entire equity interest in RMKH Glove (Cambodia) Co., Ltd. ("RMKH Cambodia") for a consideration of approximately US\$13.1 million ("Consideration"), subject to adjustment in accordance with the terms of the Disposal Agreement. The Consideration was arrived at after arm's length negotiations on a willing-buyer willing-seller basis, taking into account, inter alia, the net asset value of RMKH Cambodia of approximately US\$11.5 million. An initial cash instalment of US\$ 5.0 million (representing approximately 38% of the Consideration) is payable upon the initial completion of the disposal (the "Initial Closing") and the remaining 62% of the Consideration is payable in cash instalments over a period of not more than 12 months following the Initial Closing.

Please refer to the Company's announcement dated 10 April 2026 for more information.

ON BEHALF OF THE BOARD

Clement Yang Ker-Cheng
Chairman
Date: 14 August 2026

MEDTECS INTERNATIONAL CORPORATION LIMITED
(Incorporated in Bermuda)

**CONFIRMATION BY THE BOARD OF DIRECTORS
PURSUANT TO RULE 705(5) OF THE
LISTING MANUAL SECTION B: RULES OF CATALIST**

We, Clement Yang Ker-Cheng and William Yang Weiyuan, being two of the Directors of Medtecs International Corporation Limited (the “Company”), do hereby confirm on behalf of the Directors of the Company, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the unaudited interim financial statements of the Company and of the Group for the half year ended 30 June 2026 to be false or misleading in any material aspect.

For and on behalf of the Board
of MEDTECS INTERNATIONAL CORPORATION LIMITED

Name: Clement Yang Ker-Cheng
Director

Name: William Yang Weiyuan
Director

Date: 14 August 2026