



MEDTECS INTERNATIONAL CORPORATION LIMITED
(Incorporated in Bermuda)

PROFIT GUIDANCE FOR THE HALF-YEAR ENDED 30 JUNE 2022

The Board of Directors (the "**Board**") of Medtecs International Corporation Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to inform the shareholders of the Company that, based on a preliminary review of the unaudited management accounts of the Group for the half-year ended 30 June 2022 ("**1H 2022**") and information currently available, the Company is expected to generate a loss for 1H 2022.

This is mainly due to lower orders from our Original Equipment Manufacturing (OEM) clients and reduction of demand and average selling prices of facemasks and Personal Protective Equipment globally. Sales in Taiwan and the Philippines and e-commerce sales remained steady during 1H 2022. The Company incurred additional marketing, advertising and distribution expenses to promote the 'Medtecs' brand and own-brand products and grow its e-commerce business. The Group has also incurred additional expenses in setting up the nitrile glove factory in Cambodia, which is being built via the Group's joint venture company, Resilient Medical Pte. Ltd., as announced previously on 2 March 2021, 22 November 2021 and 1 March 2022. Due to the supply chain disruption in China, the expected completion date for the nitrile glove factory has been delayed by 3 months; however, the Company continues to actively catch up on milestone completion dates, with mass production expected to commence in the 3rd quarter of 2022 ending 30 September 2022. The Board, having considered the Group's overall financial position, cash flow and operations, considers that the delay in the completion of the nitrile glove factory is not expected to have a material adverse impact on the overall financial position of the Group, which remains healthy.

The Group continues to engage with group purchasing organisations, institutional clients and government agencies to promote and distribute its products. The Group will leverage its increased marketing presence to build up its e-commerce business and create a stable Business to Consumer customer base. We are also working on a number of stock-piling projects for military uniforms and protective solutions in the Philippines as the world transitions to the post-COVID-19 era.

The Company is still in the midst of finalising its financial results for 1H2022 (the "**Half-Yearly Results**"). Further details on the Group's financial performance will be made available in the Half-Yearly Results, which will be announced on or before 15 August 2022.

This announcement is based on a preliminary assessment of the latest unaudited consolidated management accounts of the Group and is not based on any financial figures or information which have been audited or reviewed by the Group's auditors. Accordingly, shareholders are cautioned not to place undue reliance on forward-looking statements within this announcement, which are based on the current view of management regarding future events.

Shareholders are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bankers, solicitors, accountants, or other professional advisers.

Submitted by Mr Clement Yang, Executive Chairman, on 20 July 2022 to the SGX-ST.

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

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

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