

MEDTECS INTERNATIONAL CORPORATION LIMITED

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This announcement has not been examined or approved by the Exchange. The Exchange assumes 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.

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Unaudited Half Year Financial Statements For The Period Ended 30 June ("1H") 2025

CONDENSED INTERIM STATEMENTS OF INCOME

	Group		
	US\$'000		%
	Latest Half Year Ended 30 June 2025	Previous Half Year Ended 30 June 2024	Increase/ (Decrease)
Revenue	36,438	25,527	42.7
Costs of sales and services	(28,954)	(22,377)	29.4
Gross profit	7,484	3,150	137.6
Other items of income			
Other operating income, net	108	1,035	(89.6)
Financial income	632	698	(9.5)
Other items of expense			
Distribution and selling expenses	(2,891)	(2,667)	8.4
Administrative expenses	(4,753)	(6,642)	(28.4)
Financial expenses	(337)	(407)	(17.2)
Profit/(loss) before tax	243	(4,833)	105.0
Income tax (expense)/benefit	(63)	122	151.6
Net profit/(loss) for the period	180	(4,711)	103.8
Attributable to:			
Equity holders of the Company	178	(3,879)	104.6
Non-controlling interests	2	(832)	100.2
Net profit/(loss) for the period	180	(4,711)	103.8

US\$'000	
Latest Half Year Ended 30 June 2025	Previous Half Year Ended 30 June 2024

Depreciation	1,766	2,187
Amortisation of:		
Assets held for leasing	977	937
Right-of-use assets	365	502
Intangible assets	125	117
Interest expense on:		
Loans	211	238
Lease liabilities	97	143
Provision for:		
Impairment on property, plant and equipment	—	1,523
Expected credit losses	—	491
Write-off of inventories	—	516
Reversal of write-down of inventory	(1,440)	—
Other finance cost	29	26
Interest income	(632)	(698)
Foreign exchange loss/(gain)	465	(532)

CONDENSED INTERIM STATEMENTS OF COMPREHENSIVE INCOME

	Group		
	US\$'000		%
	Latest Half Year Ended 30 June 2025	Previous Half Year Ended 30 June 2024	Increase/ (Decrease)
Net profit/(loss) after tax	180	(4,711)	103.8
Other comprehensive income:			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange difference on consolidation	459	(573)	180.1
Actuarial (losses)/gains	(106)	18	(688.9)
Total comprehensive income/(loss)	533	(5,266)	110.1
Attributable to:			
Equity holders of the Company	531	(4,434)	112.0
Non-controlling interests	2	(832)	100.2
Total comprehensive income/(loss)	533	(5,266)	110.1

CONDENSED INTERIM BALANCE SHEETS

		Group US\$'000		Company US\$'000	
		30 June 2025	31 Dec 2024	30 June 2025	31 Dec 2024
ASSETS					
Non-current assets					
Property, plant and equipment, net	Note 1	39,034	18,325	33	50
Investment properties		2,339	2,394	–	–
Assets held for leasing		3,880	3,667	–	–
Right-of-use of assets	Note 2	8,292	4,458	310	374
Net investment in sub-lease	Note 2	–	4,710	4,755	4,710
Investment in subsidiaries		–	–	51,719	27,000
Intangible assets	Note 3	4,883	3,116	–	–
Deferred tax assets		2,284	2,284	–	–
Other non-current assets		1,071	745	79	79
		61,783	39,699	56,896	32,213
Current assets					
Inventories	Note 4	29,554	25,544	381	390
Trade receivables	Note 5	20,985	10,666	207	173
Other current assets	Note 6	8,243	34,722	275	25,009
Fixed deposits	Note 7	7,317	10,547	47	47
Cash and bank balances	Note 8	12,659	16,789	1,684	748
		78,758	98,268	2,594	26,367
TOTAL ASSETS		140,541	137,967	59,490	58,580

EQUITY AND LIABILITIES**Current liabilities**

	Group US\$'000		Company US\$'000	
	30 June 2025	31 Dec 2024	30 June 2025	31 Dec 2024
Accounts payable and other current liabilities	9,154	6,200	536	609
Lease liabilities	633	633	149	149
Due to subsidiaries (trade)	–	–	14,474	13,361
Bank loans	18,849	19,358	–	–
Income tax payable	2,051	2,113	–	5
	30,687	28,304	15,159	14,124

NET CURRENT ASSETS/(LIABILITIES)

48,071	69,964	(12,565)	12,243
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Non-current liabilities

Lease liabilities – net of current portion	2,033	2,294	340	367
Deferred tax liabilities	531	525	19	12
Other non-current liabilities	105	192	96	98
	2,669	3,011	455	477

TOTAL LIABILITIES

33,356	31,315	15,614	14,601
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NET ASSETS

107,185	106,652	43,876	43,979
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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	143	249	107	112
Foreign currency translation reserve	(1,050)	(1,509)	–	–
Other reserves	394	394	561	561
Revenue reserves	77,382	77,204	13,377	13,475
Less: Treasury shares	(2,361)	(2,361)	(2,361)	(2,361)

106,700	106,169	43,876	43,979
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Non-controlling interests

485	483	–	–
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Total equity

107,185	106,652	43,876	43,979
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TOTAL EQUITY AND LIABILITIES

140,541	137,967	59,490	58,580
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Explanatory notes that are material to an understanding of the information:

Note 1 Increase in Property, Plant and Equipment is primarily due to the re-acquisition of RMKH Glove Pte. Ltd. (“**RMKH SG**”) and its subsidiary, RMKH Glove (Cambodia) Co., Ltd. (collectively as “**RMKH Group**”), contributing the glove factory assets to the Group amounting to US\$20.1 million.

Note 2 Increase in Right-of-Use Assets, but decrease in Net Investment in Sub-Lease came from the impact of the re-acquisition of RMKH Group, changing the lease structure between the Company and RMKH Group.

Note 3 Increase in Intangible Assets is due to the recognition of goodwill amounting to US\$1.9 million, arising from the excess of the purchase consideration over the fair value of RMKH Group’s net assets on acquisition date.

Note 4 Increase in Inventories is primarily due to the nitrile glove inventories contributed by RMKH Group amounting to US\$4.5 million, partially offset by the higher consumption of stocks from OEM operations, following improved sales during the period.

Note 5 Increase in Trade Receivables reflected both higher sales generated by the Group, and the acquired trade receivables from RMKH Group amounting to US\$4.5 million, following its improved sales performance.

Note 6 Decrease in Other Current Assets is primarily due to the reclassification of outstanding non-trade receivables from Resilient Medical Pte. Ltd. (“**RMPL**”) to Investment in Subsidiaries account, upon acquisition of RMKH SG shares in connection with the liquidation process.

Note 7 Decrease in Fixed Deposits is due to reduction in pledged deposits arising from lower loan availments.

Note 8 Decrease in Cash and bank balances is primarily due to higher net working capital requirements, driven by the improved OEM operations and funding needs to support the glove factory operations in Cambodia.

CONDENSED INTERIM STATEMENTS OF CASH FLOWS

Group US\$'000	
Latest Half Year Ended 30 June 2025	Previous Half Year Ended 30 June 2024

OPERATING ACTIVITIES

Profit/(loss) before tax	243	(4,833)
Adjustments for:		
Depreciation	1,766	2,187
Amortization of:		
Assets held for leasing	977	937
Right-of-use assets	365	502
Intangible assets	125	117
Provision for:		
Impairment loss on property, plant and equipment	–	1,523
Expected credit losses	–	491
Reversal of write-down of inventory	(1,440)	–
Write-off of inventories	–	516
Financial expense	308	381
Other finance costs	29	26
Financial income	(632)	(698)
Unrealized foreign exchange losses/(gains)	506	(1,457)
Net changes in pension benefits obligation	(193)	(33)
Operating cash flows before working capital changes	2,054	(341)
Change in operating assets:		
Other current assets	2,063	(2,537)
Trade receivables	(7,393)	1,685
Inventories	(1,136)	(3,499)
Fixed deposits	–	(1,344)
Change in operating liabilities:		
Accounts payable and other current liabilities	(429)	(213)
Net cash used in operations	(4,841)	(1,690)
Income taxes paid	(119)	(225)
Other finance costs paid	(29)	(26)
Net cash used in operating activities	(4,989)	(1,941)

Group US\$'000	
Latest Half Year Ended 30 June 2025	Previous Half Year Ended 30 June 2024

INVESTING ACTIVITIES

Purchases of property, plant and equipment	(1,315)	(361)
Decrease/(Increase) in:		
Assets held for leasing	(1,190)	(715)
Fixed deposits	786	(551)
Other non-current assets	(213)	437
Interest received	632	698
Net cash acquired from acquisition of subsidiary	757	–
Net cash used in investing activities	(543)	(492)

FINANCING ACTIVITIES

(Payment of)/Proceeds from short-term bank loans – net	(509)	1,631
Uplift/(Pledge) of fixed deposits	2,444	(3,208)
Interest paid	(211)	(381)
Payment of lease liabilities	(322)	(278)
Net cash generated from/(used in) financing activities	1,402	(2,236)
Net decrease in cash and bank balances	(4,130)	(4,669)
Cash and bank balances at beginning of period	16,789	22,305
Cash and bank balances at end of period	12,659	17,636

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 2023	27,471	4,721	211	(850)	99,618	394	99,162	(2,361)	1,104	130,308
Net loss for the period	–	–	–	–	(3,879)	–	(3,879)	–	(832)	(4,711)
Other comprehensive income	–	–	18	(573)	–	–	(573)	–	–	(555)
Total comprehensive loss for the period	–	–	18	(573)	(3,879)	–	(4,452)	–	(832)	(5,266)
Balance at 30 June 2024	27,471	4,721	229	(1,423)	95,739	394	94,710	(2,361)	272	125,042
Net loss for the period	–	–	–	–	(18,543)	–	(18,543)	–	(695)	(19,238)
Other comprehensive income (loss)	–	–	28	(86)	–	–	(86)	–	–	(58)
Total comprehensive income (loss) for the period	–	–	28	(86)	(18,543)	–	(18,629)	–	(695)	(19,296)
Reclassification of actuarial gains to revenue reserves	–	–	(8)	–	8	–	8	–	–	–
Deconsolidation of subsidiaries	–	–	–	–	–	–	–	–	906	906
Balance at 31 December 2024	27,471	4,721	249	(1,509)	77,204	394	76,089	(2,361)	483	106,652
Net profit 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

Company

	US\$'000							
	Share capital	Share premium	Actuarial gains	Revenue reserves	Other reserves	Total reserves	Treasury shares	Total equity
Balance at 31 December 2023	27,471	4,721	105	32,071	561	32,632	(2,361)	62,568
Net loss for the period, representing total comprehensive loss for the period	–	–	–	(574)	–	(574)	–	(574)
Balance at 30 June 2024	27,471	4,721	105	31,497	561	32,058	(2,361)	61,994
Net loss for the period	–	–	–	(18,022)	–	(18,022)	–	(18,022)
Other comprehensive income for the period	–	–	7	–	–	–	–	7
Total comprehensive income (loss) for the period	–	–	7	(18,022)	–	(18,022)	–	(18,015)
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

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 2025 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 2024.

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 2025 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 2024.

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 2025 and 30 June 2024.

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
Other segment information:				
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)

(a) Business segments (continued)

Half-Year Ended 30 June 2024

	Manufacturing US\$'000	Hospital services US\$'000	Distribution and others US\$'000	Group US\$'000
Revenue	16,454	7,496	1,577	25,527
Results	(6,280)	1,093	63	(5,124)
Financial expenses				(407)
Financial income				698
Income tax benefit				122
Net loss for the period				(4,711)
Total assets	142,324	13,339	5,468	161,131
Total liabilities	35,777	309	3	36,089
<i>Other segment information:</i>				
Capital expenditure	361	–	–	361
Depreciation and amortization	2,450	1,238	55	3,743
Provision for expected credit losses	491	–	–	491
Provision for impairment loss on property, plant and equipment	1,523	–	–	1,523
Other non-cash expenses - net	(1,490)	–	–	(1,490)

NOTES TO THE CONDENSED INTERIM 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 half-years ended 30 June 2025 and 30 June 2024.

Half-Year Ended 30 June 2025	North America US\$'000	Asia Pacific US\$'000	Europe US\$'000	Australia US\$'000	Group US\$'000
Revenue	4,366	17,872	14,179	21	36,438
Results	(6)	(26)	(20)	–	(52)
Financial expenses					(337)
Financial income					632
Income tax expense					(63)
Net profit for the period					180
Total assets	5,882	128,794	5,865	–	140,541
Total liabilities	–	33,356	–	–	33,356
<i>Other segment information:</i>					
Capital expenditures	–	1,315	–	–	1,315
Depreciation and amortization	–	3,233	–	–	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 (continued)

Half-Year Ended 30 June 2024	North America US\$'000	Asia Pacific US\$'000	Europe US\$'000	Group US\$'000
Revenue	3,945	10,400	11,182	25,527
Results	(792)	(2,088)	(2,244)	(5,124)
Financial expenses				(407)
Financial income				698
Income tax benefit				122
Net loss for the period				(4,711)
Total assets	1,972	154,344	4,815	161,131
Total liabilities	—	36,089	—	36,089
<i>Other segment information:</i>				
Capital expenditures	—	361	—	361
Depreciation and amortization	—	3,743	—	3,743
Provision for expected credit losses	—	491	—	491
Provision for impairment loss on property, plant and equipment	—	1,523	—	1,523
Other non-cash expenses - net	—	(1,490)	—	(1,490)

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

3. SEGMENT AND REVENUE INFORMATION (continued)

Disaggregation of revenue

	Manufacturing		Hospital Services		Distribution and Others		Total	
	1H2025	1H2024	1H2025	1H2024	1H2025	1H2024	1H2025	1H2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Primary geographical markets								
North America	4,366	3,945	–	–	–	–	4,366	3,945
Asia Pacific	8,045	1,327	8,598	7,496	1,229	1,577	17,872	10,400
Europe	14,179	11,182	–	–	–	–	14,179	11,182
Australia	21	–	–	–	–	–	21	–
	26,611	16,454	8,598	7,496	1,229	1,577	36,438	25,527

Revenue from contracts

Revenue from manufacturing	26,611	16,454	–	–	–	–	26,611	16,454
Revenue from hospital services	–	–	8,598	7,496	–	–	8,598	7,496
Revenue from distribution and others	–	–	–	–	1,229	1,577	1,229	1,577
	26,611	16,454	8,598	7,496	1,229	1,577	36,438	25,527

Timing of transfer of goods or services

At a point in time	26,611	16,454	–	–	925	1,273	27,536	17,727
Over time	–	–	8,598	7,496	304	304	8,902	7,800
	26,611	16,454	8,598	7,496	1,229	1,577	36,438	25,527

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

4. BUSINESS COMBINATION

Acquisition of RMKH Glove Pte. Ltd.

As disclosed in the Company's announcement dated 28 May 2025, the Company has acquired 100% voting shares of RMKH SG, through a declaration of a dividend *in specie* of RMPL, comprising 2,000,000 ordinary shares in the issued share capital of RMKH SG on 28 May 2025. Following the completion of the share transfer, RMKH SG is now a direct wholly-owned subsidiary of the Company. The acquisition has been accounted for using the acquisition method. The condensed interim financial statements include the results of RMKH Group for the one-month period from acquisition date.

The fair values of the identifiable assets and liabilities of RMKH Group as at the date of acquisition were:

	Fair value recognized on acquisition US\$'000
Assets	
Property, plant and equipment (provisional)	20,151
Right-of-use assets	3,644
Other noncurrent assets	113
Cash	757
Trade and other receivables	3,544
Inventories	4,617
Other current assets	2,914
	35,740
Liabilities	
Trade payables and other current liabilities	(9,164)
Lease liability	(3,749)
	(12,913)
Total identifiable net assets at fair value	22,827
Goodwill arising on acquisition (provisional)	1,892
Consideration transferred (non-cash)	24,719
Net cash acquired with subsidiary (included in cash flows from investing activities)	757

Following the completion of the acquisition of RMKH SG on 28 May 2025, the Group is currently in the process of finalizing the purchase price allocation in accordance with SFRS(I) 3. As such, the initial accounting for the business combination is provisional and subject to further adjustment.

The Group is in the process of assessing the fair values of the identifiable assets acquired, liabilities assumed, and any non-controlling interests. The final allocation of the purchase consideration will be completed within the measurement period of 12 months from the acquisition date.

Any adjustments arising from the finalization of the purchase price allocation will be recognized retrospectively from the acquisition date, and comparative information will be restated accordingly, if required.

From the date of acquisition, RMKH Group has contributed US\$1.2 million of revenue and US\$457,000 net loss to the net profit before tax of the Group for the half-year ended 30 June 2025. If the acquisition had taken place at the beginning of the year, revenue would have been US\$5.4 million and the net loss of the period would have been US\$3.2 million.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

5. FINANCIAL INSTRUMENTS

As at 30 June 2025

Group

	Financial assets US\$'000	Financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	19,976	–	19,976
Trade receivables	20,985	–	20,985
Other current assets*	1,387	–	1,387
	<u>42,348</u>	<u>–</u>	<u>42,348</u>
Financial liabilities:			
Bank loans	–	(18,849)	(18,849)
Trade payables and other current liabilities**	–	(9,091)	(9,091)
Lease liabilities	–	(2,666)	(2,666)
	<u>–</u>	<u>(30,606)</u>	<u>(30,606)</u>
	<u>42,348</u>	<u>(30,606)</u>	<u>11,742</u>

*excluding non-financial assets

**excluding non-financial liabilities

As at 30 June 2025

Company

	Financial assets US\$'000	Financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	1,731	–	1,731
Trade receivables	207	–	207
Other current assets*	155	–	155
Net investment on sub-lease	4,755	–	4,755
	<u>6,848</u>	<u>–</u>	<u>6,848</u>
Financial liabilities:			
Trade payables and other current liabilities**	–	(531)	(531)
Due to subsidiaries (trade)	–	(14,474)	(14,474)
Lease liabilities	–	(489)	(489)
	<u>–</u>	<u>(15,494)</u>	<u>(15,494)</u>
	<u>6,848</u>	<u>(15,494)</u>	<u>(8,646)</u>

*excluding non-financial assets

**excluding non-financial liabilities

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

5. FINANCIAL INSTRUMENTS (continued)

As at 31 December 2024

Group	Financial assets US\$'000	Financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	27,336	–	27,336
Trade receivables	10,666	–	10,666
Other current assets*	29,500	–	29,500
Net investment on sub-lease	4,710	–	4,710
	<u>72,212</u>	<u>–</u>	<u>72,212</u>
Financial liabilities:			
Bank loans	–	(19,358)	(19,358)
Trade payables and other current liabilities**	–	(6,139)	(6,139)
Lease liabilities	–	(2,927)	(2,927)
	<u>–</u>	<u>(28,424)</u>	<u>(28,424)</u>
	<u>72,212</u>	<u>(28,424)</u>	<u>43,788</u>

*excluding non-financial assets

**excluding non-financial liabilities

As at 31 December 2024

Company	Financial assets US\$'000	Financial liabilities US\$'000	Total US\$'000
Financial assets:			
Cash and bank balances and fixed deposits	795	–	795
Trade receivables	173	–	173
Other current assets*	24,781	–	24,781
Net investment on sub-lease	4,710	–	4,710
	<u>30,549</u>	<u>–</u>	<u>30,549</u>
Financial liabilities:			
Trade payables and other current liabilities**	–	(601)	(601)
Due to subsidiaries (trade)	–	(13,361)	(13,361)
Lease liabilities	–	(516)	(516)
	<u>–</u>	<u>(14,478)</u>	<u>(14,478)</u>
	<u>30,549</u>	<u>(14,478)</u>	<u>16,071</u>

*excluding non-financial assets

**excluding non-financial liabilities

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

6. TAXATION

The major components of income tax expense (benefit) for the half-years ended 30 June 2025 and 30 June 2024 are:

	Group		Company	
	1H2025	1H2024	1H2025	1H2024
	US\$'000	US\$'000	US\$'000	US\$'000
Current	57	(8)	—	—
Deferred income tax:				
Origination and reversal of temporary differences	6	(114)	—	—
Income tax expense (benefit)				
Recognised in the profit and loss accounts	63	(122)	—	—

7. DIVIDENDS

No dividends were declared in 1H2025 and FY2024.

8. INVESTMENT PROPERTIES

	Group	
	2025	2024
	US\$'000	US\$'000
Cost:		
As at 1 January	5,465	5,465
Accumulated depreciation:		
As at 1 January	3,071	2,959
Depreciation charge for the period	55	56
As at 30 June	3,126	3,015
Net carrying amount as at 30 June	2,339	2,450

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)

8. 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 2024, fair market value of the investment properties, which is based on its highest and best use, amounted to US\$3.8 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.

9. LOANS AND BORROWINGS

Amount repayable in one year or less, or on demand

As at 30 June 2025 US\$'000		As at 31 December 2024 US\$'000	
Secured	Unsecured	Secured	Unsecured
17,135	1,714	17,221	2,137

Details of any collateral

Secured short-term bank loans of approximately US\$18.8 million and US\$17.2 million as of 30 June 2025 and 31 December 2024, respectively, are secured by property, plant and equipment and guarantee deposit, with net book values of approximately US\$7.2 million and US\$8.9 million as of 30 June 2025 and 31 December 2024, respectively.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, the Group acquired property, plant and equipment amounting to US\$1.3 million (30 June 2024: US\$0.4 million).

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (continued)

11. SHARE CAPITAL

11.1 Share Capital

	<u>Group and Company</u>
	US\$'000
Authorised	
As at 1 January 2024, 31 December 2024 and 30 June 2025	50,000
- 1,000,000,000 ordinary shares of US\$0.05 each	
Issued and paid up	
As at 1 January 2024, 31 December 2024 and 30 June 2025	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.

11.2 Treasury Shares

	<u>Group and Company</u>
	US\$'000
As at 1 January 2024, 31 December 2024 and 30 June 2025	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 2025.

The total number of issued Shares (excluding treasury shares) as at 30 June 2025 and 31 December 2024 was 544,911,240. The total number of treasury shares as at 30 June 2025 and 31 December 2024 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 2025 and 31 December 2024.

The Company had no convertibles or subsidiary holdings as at 30 June 2025 and 30 June 2024.

12. 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 2024.

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 2025	First Half Ended 30 June 2024

Earnings/(Loss) 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	0.033 US cents	(0.712 US cents)
(ii) On a fully diluted basis	0.033 US cents	(0.712 US cents)

Explanatory note to 3 (i) and (ii)

Earnings/(Loss) per share for the six-month periods ended 30 June 2025 and 30 June 2024 are calculated based on the weighted average number of issued ordinary shares, excluding treasury shares, during the six-month periods ended 30 June 2025 and 30 June 2024 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 2025	As at 31 December 2024

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

19.58 US cents 19.48 US cents

Company	
As at 30 June 2025	As at 31 December 2024

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

8.05 US cents 8.07 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 2025 and 31 December 2024.

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 42.7% from US\$25.5 million in 1H2024 to US\$36.4 million in 1H2025, driven by contributions from new OEM customers, which generated US\$6.2 million sales. Revenue from regular OEM customers also increased by 18.9%, from US\$12.4 million in 1H 2024 to US\$14.7 million in 1H 2025 from improved demands. Following the recent re-acquisition of the glove factory in Cambodia, the Group leveraged on the new orders of the nitrile gloves, further improving its revenue position.

Revenue

Revenue from the Manufacturing division increased by 61.7% from US\$16.5 million in 1H2024 to US\$26.6 million in 1H2025 due to higher sales from new and regular OEM customers.

Revenue from the Hospital Services division increased by 14.7% from US\$7.5 million in 1H2024 to US\$8.6 million in 1H2025 due to higher linen utilization in Taiwan and Philippines from new hospital contracts.

Revenue from the Trading and Distribution division decreased by 22.1% from US\$1.6 million in 1H2024 to US\$1.2 million in 1H2025 arising from lower demand for our healthcare products in Taiwan.

Profitability

The Group's gross profit increased by 137.6% from US\$3.2 million in 1H2024 to US\$7.5 million in 1H2025 due to improved sales from OEM customers and hospital services and reversal of inventory provisions in Cambodia and Philippines following higher inventory consumption.

Gross profit from the Manufacturing division increased significantly by 230.2% from US\$1.6 million in 1H2024 to US\$5.3 million in 1H2025 due to higher sales from OEM customers, improvement in high-margin e-commerce sales and economies of scale.

Gross profit from the Hospital Services division increased by 51.5% from US\$1.3 million in 1H2024 to US\$2.0 million in 1H2025 due to an increase in price from contract renewals and better linen management.

Gross profit from the Trading and Distribution division decreased by 29.0% from US\$214,000 in 1H2024 to US\$152,000 in 1H2025 due to decline in demand and mark-down in price of product offerings in the Taiwan domestic market.

Other operating income decreased by 89.6% from US\$1.0 million in 1H2024 to US\$108,000 in 1H2025 primarily due to foreign exchange losses arising from currency exposures on non-USD denominated foreign currencies during the period.

Distribution and selling expenses increased by 8.4% from US\$2.7 million in 1H2024 to US\$2.9 million in 1H2025 due to higher freight and handling costs following improved sales. Administrative expenses decreased by 28.4% from US\$6.6 million in 1H 2024 to US\$4.8 million in 1H 2025 due to lower provisions and impairment.

Financial expenses decreased by 17.2% from US\$407,000 in 1H2024 to US\$337,000 in 1H2025 due to fewer availments of bank loans. Financial income decreased by 9.5% from US\$698,000 in 1H2024 to US\$632,000 in 1H2025 due to lower interest income earned from fewer fixed deposit placements made.

Income tax expenses increased by 151.6% from an income tax benefit of US\$122,000 in 1H2024 to an income tax expense of US\$63,000 in 1H2025 due to net operating profit position in 1H2025.

Overall, the Group's net profit after tax increased to US\$180,000 in 1H2025 from a net loss after tax of US\$4.7 million in 1H2024 due to higher profits generated from the improved sales and reversal of inventory provisions.

Cash Flow and Balance Sheet

The Group's total assets increased from US\$138.0 million as at 31 December 2024 to US\$140.5 million as at 30 June 2025 due to increase in trade receivables from higher sales generated, but partially offset by the higher net cash used from operations. Property, plant and equipment increased to US\$39.0 million as at 30 June 2025 from US\$18.3 million as at 31 December 2024 following the re-acquisition of RMKH Group, contributing the glove factory assets to the Group.

The Group's cash outflow from operating activities increased to US\$5.0 million in 1H2025 from US\$1.9 million in 1H2024 due to higher net working capital requirements, mainly for the glove factory operations. Cash outflow from investing activities amounted to US\$543,000 in 1H2025 from US\$492,000 in 1H2024, due to new capital expenditures and hospital linen investments. Cash inflow from financing activities amounted to US\$1.4 million in 1H2025 from a cash outflow in 1H2024:US\$2.2 million due to fewer pledged fixed deposits from lower 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.

Looking ahead to the second half of 2025 and the following 12 months, although the global economy continues to face risks such as trade policy volatility, geopolitical tensions, and heightened market competition, the easing of tariff-related uncertainties in the United States is expected to support the Group's production and sales strategies across its operating bases. Building on the solid foundation established in the first half of the year, we believe that by steadfastly executing our strategic growth plans, proactively addressing external challenges, and maintaining our commitment to innovation, efficiency enhancements, and sustainability, we will be able to achieve our goals of continuing to increase revenue and enhancing profitability.

Strengthening the OEM Business and Improving Asset Efficiency

Our core business in OEM remains resilient, underpinned by sustained demand from regular OEM customers and a growing portfolio of protective products. To maintain our competitive edge, we are leveraging AI to gain deeper insights into customer needs and enhance product customization. By integrating AI-driven analytics into our e-commerce strategies, we aim to keep our offerings accessible and relevant across both B2B and B2C markets. We use AI-powered recommendation engines to analyze user behavior and transaction data, offering personalized product suggestions to improve our browse-to-buyer conversion. Dynamic pricing algorithms help us track market trends, monitor competitor pricing, and adjust prices to stay competitive while managing margins effectively.

Medtecs remains committed to enhancing operational efficiency and cost competitiveness by streamlining its manufacturing operations and improving responsiveness to market demands. The adoption of advanced automation technologies—such as automated fabric inspection systems, flatbed cutters, and pocket stitching machines—has boosted production efficiency.

With the resumption of operations at our RMKH glove manufacturing facility in Cambodia and our joint venture with Shijiazhuang Hongray Group Co., Ltd., Medtecs is positioned to strengthen its competitiveness in the nitrile glove market in 2H2025 and beyond. The Group aims to leverage Medtecs' existing glove manufacturing infrastructure with Hongray's production technology and distribution network, we aim to expand scale, improve efficiency, and enhance our market position, thereby driving revenue growth and improving profitability.

Expanding the Healthcare Services

In recent years, the demand for healthcare outsourcing has continued to grow. With a long-standing presence and proven capabilities in providing hospital support services in the Philippines and Taiwan, the Group is positioned to capture opportunities arising from the continuing growth in healthcare outsourcing demand.

Harnessing Technology and Sustainability Initiatives

Medtecs is accelerating its digital transformation by integrating AI and automation to enhance operational efficiency, precision, and responsiveness across the Group. We recognize that AI adoption goes beyond technology—it is also about empowering people. To this end, we have developed a clear roadmap for workforce transformation, which includes targeted upskilling initiatives, hands-on workshops for practical AI applications, and the implementation of our Artificial Intelligence Usage Policy to ensure ethical and responsible deployment. By embedding AI into both our operations and workforce development, we are improving production consistency, reducing dependence on manual labor, and strengthening supply chain resilience.

At the same time, sustainability remains a key strategic priority. As global demand for eco-friendly solutions continues to rise, we are leveraging data-driven insights to develop sustainable products while optimizing cost efficiency through our manufacturing expertise and supplier partnerships. This approach has led to the introduction of biodegradable materials in PPE accessories—such as shoe covers and bouffant caps—and the adoption of eco-friendly packaging solutions, including HDPE plastic and paper-based materials tailored to meet European market requirements. These efforts further underscore Medtecs' commitment to supporting global sustainability goals.

To support our evolving business needs, Medtecs is building a more agile and resilient supply chain. Through logistics optimization and stronger supplier partnerships, we aim to improve responsiveness, minimize risks, and maintain seamless operations—even amid rapidly changing market conditions.

Our focus remains on driving long-term growth through efficiency, innovation, and sustainability. By harnessing automation, AI, and eco-friendly solutions, we are strengthening our market position while increasing operational resilience. Looking ahead, we will continue to explore opportunities in the renewable energy sector to align with global sustainability trends and tap into emerging growth areas.

Based on current market conditions, confirmed customer orders, and ongoing initiatives in OEM expansion, healthcare services, and automation, the Group expects its revenue for FY2025 to be higher than that of FY2024. However, profitability is expected to remain under pressure due to raw material cost volatility and price competition in key markets, and our investments in technology, automation, and sustainability initiatives to strengthen our long-term competitiveness.

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 and on potential and upcoming expansion projects.

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. Negative confirmation pursuant to Rule 705(5).

The board of directors hereby confirms that, to the best of its knowledge, nothing has come to its attention which may render the unaudited interim financial results of the Group for the half year ended 30 June 2025 to be false or misleading in any material respect.

12. 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.

ON BEHALF OF THE BOARD

Clement Yang Ker-Cheng
Chairman
Date: 13 August 2025

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 2025 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: 13 August 2025