(Incorporated in Singapore with Unique Entity No.: 201424579Z)
website: www.ughealthcarecorporation.com
SGX stock code: 8K7

UG Healthcare seeks diversification into non-glove healthcare related businesses

- **Proposed New Business includes the development, management and operation of active retirement homes and healthcare and wellness centre**
  - **Proposed New Business is located 21 km south of the newly opened Desaru Coast Ferry Terminal, Johor, Malaysia**
  - **Direct and easy access from Singapore, with 90-minute direct ferry ride from Tanah Merah Ferry Terminal to Desaru Cost Ferry Terminal**
  - **Beneficiary to the rising ageing population in the Asia Pacific region**
- **Group to seek shareholders' approval for proposed business diversification through strategic opportunities for sustainable growth in the long term**

For Immediate Release

Singapore, 14 October 2022 – **UG Healthcare Corporation Limited** 优格医疗集团 ("**UG Healthcare**" and together with its subsidiaries, the "**Group**"), an own brand manufacturer that markets and sells proprietary **UNI**GLOVES® branded products through its own established global downstream distribution network, today announced that it had entered into a share sale agreement with Mr. Lee Keck Keong, the Chief Executive Officer of the Company, to acquire 100% of the share capital of Indigo Teguh Sdn Bhd (the "**Target Company**") for RM100 (the "**Proposed Acquisition**").

The Proposed New Business

Through the Proposed Acquisition of the Target Company, the Group would have the opportunity to diversify its existing glove manufacturing and distribution business and be involved in the development, management, and operation of active retirement homes (the "**Active Retirement Homes**") and healthcare and wellness business (collectively, the "**Proposed New Business**").

Leveraging on established strategic partners, the joint venture consortium intends to begin the Active Retirement Homes project in Malaysia, which is conveniently located 21 kilometres south from the newly-opened Desaru Coast Ferry Terminal in Johor, via a 90-minute direct ferry ride from Singapore's Tanah Merah Ferry Terminal. This project would potentially be supported with healthcare and wellness business that could include a healthcare and wellness centre. Please refer to the announcement on the details of the proposed transaction.

Mr. Lee Jun Yih, Executive Director and Finance Director of UG Healthcare said, "**The Group has been exploring appropriate opportunities to diversify our business into the non-glove healthcare related segment to balance our risk exposure, broaden our earnings base sustainably, and enhance shareholders' returns in the long term.**

While we continue to strengthen our hand protection related business and maximise the potential of our global downstream operations, we are also ready to diversify our business into the Proposed New Business and pave the way for the Group's next level of growth.

We believe the rising ageing population across the Asia Pacific regions is likely to spur demand for good quality retirement facilities, healthcare and wellness services. We are of the view that the active eldercare and healthcare industry is comparatively more stable and less susceptible to cyclical business and market fluctuations. Nevertheless, we remain mindful of our foray into the new business, and hence, chose to work with established partners in this Proposed New Business."

According to World Health Organization, the population in WHO South-East Asia Region is ageing rapidly. It is expected that the proportion of people aged 60 and above will increase from 9.8% in 2017 to 13.7% and 20.3% by 2030 and 2050, respectively.[1]

(Source: 1 https://www.who.int/southeastasia/health-topics/ageing)

The Proposed Diversification

As the Proposed New Business is substantially different from the existing business and is envisaged to change the risk profile of the Group (the "**Proposed Diversification**"). Hence, the Proposed Diversification is subject to the approval of shareholders at an extraordinary general meeting, which will be announced in due course where more information will be included in the shareholders' circular.

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This media release is to be read in conjunction with the Company's announcement posted on the SGX website on 14 October 2022.

UG HEALTHCARE CORPORATION 优格医疗集团

(Stock Code – SGX: 8K7 | Bloomberg: UGHC SP | Reuters: UGHE.SI)

UG Healthcare Corporation Limited ("**UG Healthcare**" and together with its subsidiaries, the "**Group**") is an own brand manufacturer that markets and sells proprietary **UNI**GLOVES® branded products through its own established global downstream distribution network.

The Group owns and operates an extensive downstream network of distribution companies with a local presence in Europe, the United Kingdom, the USA, China, Africa and South America, where it markets and sells its proprietary **UNI**GLOVES® brand of disposable gloves. The Group also distributes ancillary products including surgical gloves, vinyl and cleanroom disposable gloves, reusable gloves, face masks and other medical disposables.

These downstream distribution companies are supported and complemented by the Group's own upstream manufacturing division, manufacturing natural latex and nitrile disposable gloves under its **UNI**GLOVES® brand and third-party labels in its upstream manufacturing facilities located in Malaysia.

The Group's upstream manufacturing is certified by British Standards Institution ("**BSI**") for ISO 9001:2015, ISO 13485:2016 and EN ISO 13485:2016 for the scope of manufacture and supply of natural latex and nitrile latex examination gloves.

Its **UNI**GLOVES® brand of disposable gloves offers an extensive product range that includes both specialised products, with a variety of coatings, scents, colours, thickness, antimicrobial properties for more specialised users, as well as generic products. These products are used across a diverse range of industries requiring cross infection protection and hygiene standards, whilst catering to different applications and preferences.

The Group's proprietary brand of products conform to various international standards and requirements, including the ASTM International (formerly known as American Society for Testing and Materials), European standard for medical gloves ("**EN455**"), ISO 11193 standards (International Organization for Standardization for Single-use medical examination gloves), CE and UKCA Type Examination Certificates of Latex and Nitrile Examination Gloves PPE 2016(425) Cat III, Acceptance Quality Level requirements under the Food and Drug Administration ("**USFDA**"), China Food and Drug Administration ("**CFDA**"), Brazilian Health Regulatory Agency ("**Anvisa**") and the National Agency for Food and Drug Business Strategy Administration and Control ("**NAFDAC**").

For more information, please visit the company's website at www.ughealthcarecorporation.com

Issued for and on behalf of **UG Healthcare Corporation Limited** by:

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*This media release has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**").*

*This media release has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this media release, including the correctness of any of the statements or opinions made or reports contained in this media release.*

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