



(Incorporated in Singapore with Unique Entity No.: 201424579Z)

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CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 31 DECEMBER 2024

This announcement has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

This announcement 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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

	Note	Six months ended		
		31-Dec-24 1H FY25 S\$'000	31-Dec-23 1H FY24 S\$'000	Increase/ (Decrease) %
Revenue	4	72,665	49,697	46.2
Cost of sales		(53,838)	(41,582)	29.5
Gross profit		18,827	8,115	>100.0
Other income		815	1,167	(30.2)
		19,642	9,282	>100.0
Marketing and distribution expenses		(4,677)	(3,680)	27.1
Administrative expenses		(13,243)	(10,510)	26.0
Other expenses		(1,876)	(616)	>100.0
Finance costs		(1,030)	(551)	86.9
Share of profits from equity-accounted for joint venture		21	-	N.M.
Share of loss from equity-accounted for associates		(84)	(82)	2.4
Loss before income tax	6	(1,247)	(6,157)	(79.7)
Income tax (expenses)/credit	7	(836)	145	N.M.
Loss for the period		(2,083)	(6,012)	(65.4)
Other comprehensive profit/(loss):				
Exchange differences on translating foreign operations		1,149	(3,861)	N.M.
Total comprehensive Loss for the period		(934)	(9,873)	(90.5)
Loss attributable to:				
Owners of the Company		(936)	(4,979)	(81.2)
Non-controlling interests		(1,147)	(1,033)	11.0
		(2,083)	(6,012)	(65.4)
Total comprehensive (profit)/loss attributable to:				
Owners of the Company		79	(8,907)	N.M.
Non-controlling interests		(1,013)	(966)	4.9
		(934)	(9,873)	(90.5)
Loss per share attributable to owners of the Company (cents)				
Basic	8	(0.15)	(0.80)	
Diluted		(0.15)	(0.80)	

N.M. – not meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		31-Dec-24 S\$'000	30-Jun-24 S\$'000	31-Dec-24 S\$'000	30-Jun-24 S\$'000
ASSETS					
Non-current assets					
Subsidiaries		-	-	31,024	31,024
Joint Venture		779	732	-	-
Associates		576	655	-	-
Property, plant and equipment	12	59,854	57,546	-	-
Intangible assets	10	758	753	-	-
Goodwill	11	17,479	17,479	-	-
Deferred tax assets		2,700	3,120	-	-
Total non-current assets		<u>82,146</u>	<u>80,285</u>	<u>31,024</u>	<u>31,024</u>
Current assets					
Inventories		66,916	61,313	-	-
Amount due from subsidiaries		-	-	70,520	72,359
Trade and other receivables		57,030	53,347	262	246
Derivative financial assets		305	10	-	-
Income tax assets		2,995	3,500	-	-
Cash and bank balances		22,217	27,998	13,155	17,164
Total current assets		<u>149,463</u>	<u>146,168</u>	<u>83,937</u>	<u>89,769</u>
Total assets		<u>231,609</u>	<u>226,453</u>	<u>114,961</u>	<u>120,793</u>
EQUITY AND LIABILITIES					
Equity					
Share capital	14	59,652	59,652	59,652	59,652
Reserves		(69,936)	(70,951)	-	-
Retained earnings		173,756	174,692	23,135	22,644
Equity attributable to the owners of the Company		<u>163,472</u>	<u>163,393</u>	<u>82,787</u>	<u>82,296</u>
Non-controlling interests		(3,126)	(2,113)	-	-
Total equity		<u>160,346</u>	<u>161,280</u>	<u>82,787</u>	<u>82,296</u>
Non-current liabilities					
Deferred tax liabilities		1,853	1,742	-	-
Lease liabilities		361	374	-	-
Bank borrowings	13	23,989	24,927	-	-
Total non-current liabilities		<u>26,203</u>	<u>27,043</u>	<u>-</u>	<u>-</u>
Current liabilities					
Bank borrowings	13	19,895	17,907	-	-
Amount due to subsidiaries		-	-	30,643	36,922
Trade and other payables		24,328	19,272	1,442	1,433
Lease liabilities		504	508	-	-
Derivative financial liabilities		24	16	-	-
Income tax liabilities		309	427	89	142
Total current liabilities		<u>45,060</u>	<u>38,130</u>	<u>32,174</u>	<u>38,497</u>
Total liabilities		<u>71,263</u>	<u>65,173</u>	<u>32,174</u>	<u>38,497</u>
Total equity and liabilities		<u>231,609</u>	<u>226,453</u>	<u>114,961</u>	<u>120,793</u>

C. Condensed interim statements of changes in equity

	Attributable to equity holders of the Company							
	Share capital S\$'000	Foreign currency translation reserve S\$'000	Merger reserve S\$'000	Other reserve S\$'000	Retained earnings S\$'000	Total S\$'000	Non- controlling interests S\$'000	Total equity S\$'000
Balance as at 1 July 2024	59,652	(31,820)	(25,940)	(13,191)	174,692	163,393	(2,113)	161,280
Loss for the period	-	-	-	-	(936)	(936)	(1,147)	(2,083)
<u>Other comprehensive profit</u>								
Exchange differences on translating foreign operations	-	1,015	-	-	-	1,015	134	1,149
Total comprehensive profit/(loss) for the period	-	1,015	-	-	(936)	79	(1,013)	(934)
Balance as at 31 December 2024	59,652	(30,805)	(25,940)	(13,191)	173,756	163,472	(3,126)	160,346
Balance as at 1 July 2023	59,652	(22,646)	(25,940)	(10,970)	180,748	180,844	346	181,190
Loss for the period	-	-	-	-	(4,979)	(4,979)	(1,033)	(6,012)
<u>Other comprehensive (loss)/profit</u>								
Exchange differences on translating foreign operations	-	(3,928)	-	-	-	(3,928)	67	(3,861)
Total comprehensive loss for the period	-	(3,928)	-	-	(4,979)	(8,907)	(966)	(9,873)
Balance as at 31 December 2023	59,652	(26,574)	(25,940)	(10,970)	175,769	171,937	(620)	171,317

	Company		
	Share Capital S\$'000	Retained earnings S\$'000	Total S\$'000
Balance as at 1 July 2024	59,652	22,644	82,296
Profit for the period, representing total comprehensive profit for the period	-	491	491
Balance as at 31 December 2024	59,652	23,135	82,787
Balance as at 1 July 2023	59,652	21,834	81,486
Loss for the period, representing total comprehensive loss for the period	-	(330)	(330)
Balance as at 31 December 2023	59,652	21,504	81,156

D. Condensed interim consolidated statement of cash flows

	Note	Six Months Ended	
		31-Dec-24 1H FY25 S\$'000	31-Dec-23 1H FY24 S\$'000
Operating activities			
Loss before income tax		(1,247)	(6,157)
Adjustments for:			
Amortisation of intangible assets		36	12
Property, plant and equipment written off		103	130
Depreciation of property, plant and equipment		1,424	1,755
Loss allowance on trade receivables		-	3
Reversal of loss allowance on trade receivables		(103)	-
Interest expense		1,030	551
Interest income		(439)	(1,097)
Share of profits from equity-accounted for joint venture		(21)	-
Share of loss from equity-accounted for associates		84	82
Fair value (gain)/loss of derivative financial instruments		(288)	92
Unrealised exchange differences		(1,295)	(3,429)
Operating cash flows before movements in working capital		(716)	(8,058)
<i>Movements in working capital</i>			
Inventories		(6,708)	8,001
Trade and other receivables		(3,579)	(16,119)
Trade and other payables		6,161	(1,527)
Cash used in from operations		(4,842)	(17,703)
Interest paid		(1,010)	(571)
Income taxes refund		83	4,123
Net cash used in operating activities		(5,769)	(14,151)
Investing activities			
Acquisition of property, plant and equipment	12	(1,171)	(1,084)
Addition of intangible assets		(17)	(34)
Dividend received		-	335
Interest received		439	1,097
Net cash (used in)/generated from investing activities		(749)	314
Financing activities			
Drawdown of borrowings		21,252	11,139
Repayment of borrowings		(20,203)	(13,779)
Repayment of lease liabilities		(312)	(141)
Increase in fixed deposits pledged to bank		(50)	(5)
Dividend paid		-	-
Net cash generated from/(used in) financing activities		687	(2,786)
Net decrease in cash and cash equivalents		(5,831)	(16,623)
Cash and cash equivalents at beginning of financial period		27,391	61,148
Cash and cash equivalents at end of financial period		21,560	44,525
Cash and cash equivalents comprised the following:			
Cash and bank balances		22,217	45,128
Less: Fixed deposits pledged to bank		(657)	(603)
		21,560	44,525

E. Notes to the condensed interim consolidated financial statements

1. Corporate information

UG Healthcare Corporation Limited (the “**Company**”) (Registration Number 201424579Z) is incorporated and is domiciled in Singapore. The address of the Company’s registered office is 38 Beach Road, #29–11 South Beach Tower, Singapore 189767 and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). These condensed interim consolidated financial statements as at and for the six months ended 31 December 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

The principal activity of the Company is that of investment holding.

The principal activities of the Group are manufacturing and trading of gloves and other medical disposables products such as latex examination gloves, nitrile examination gloves and other ancillary products.

2. Basis of preparation

The condensed interim financial statements for the six months ended 31 December 2024 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 of the Group since the last annual financial statements for the year ended 30 June 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 2.1. The condensed interim financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to Standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of judgements and estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and 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 30 June 2024.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Management is of the opinion that there are no critical judgements made in applying the Group’s accounting policies and no assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

Reportable segment revenues, profit or loss, assets and liabilities and other material items

The revenue is derived from the sale of goods which is recognised based on point in time.

	31-Dec-24 1H FY25 S\$'000	31-Dec-23 1H FY24 S\$'000	Increase/ (Decrease) %
Revenue			
Total revenue for reportable segments	138,161	96,926	42.5
Elimination of inter-segment revenue	(65,496)	(47,229)	38.7
	72,665	49,697	46.2
Profit or Loss			
Total loss reportable segments	(1,184)	(6,075)	(80.5)
Share of profit of joint venture	21	-	N.M.
Share of loss of associate	(84)	(82)	2.4
Loss before income tax	(1,247)	(6,157)	(79.7)
Assets			
Total assets for reportable segments	230,254	208,966	10.2
Investment in joint venture	779	-	N.M.
Investments in associate	576	6,426	(91.0)
Total assets	231,609	215,392	7.5
Liabilities			
Total liabilities for reportable segments	71,263	44,075	61.7
Total liabilities	71,263	44,075	61.7

By product segments

	31-Dec-24 1H FY25 S\$'000	31-Dec-23 1H FY24 S\$'000	Increase/ (Decrease) %
Revenue			
Latex examination gloves	29,244	28,851	1.4
Nitrile examination gloves	35,280	16,483	>100.0
Other ancillary products	8,141	4,363	86.6
Total	72,665	49,697	46.2
Gross profit			
Latex examination gloves	8,312	4,928	68.7
Nitrile examination gloves	8,959	2,745	>100.0
Other ancillary products	1,556	442	>100.0
Total	18,827	8,115	>100.0
Gross profit margin			
	%	%	
Latex examination gloves	28.4	17.1	
Nitrile examination gloves	25.4	16.7	
Other ancillary products	19.1	10.1	
Overall	25.9	16.3	

By geographical locations

	31-Dec-24 1H FY25 S\$'000	31-Dec-23 1H FY24 S\$'000	Increase/ (Decrease) %
Revenue			
Europe	45,333	22,062	>100.0
North America	4,289	1,681	>100.0
South America	6,139	13,731	(55.3)
Africa	4,167	3,015	38.2
Asia	11,684	8,289	41.0
Others	1,053	919	14.6
Total	72,665	49,697	46.2

Locations of non-current assets

	31-Dec-24 1H FY25 S\$'000	30-Jun-24 FY24 S\$'000	Increase/ (Decrease) %
Non-current assets			
Europe	19,582	19,585	N.M.
North America	576	655	(12.1)
South America	5,484	6,164	(11.0)
Africa	1,495	1,496	(0.1)
Asia	55,009	52,385	5.0
Total	82,146	80,285	2.3

5. Financial assets and financial liabilities

Set out of below is an overview of the financial assets and financial liabilities of the Group as at 31 December 2024 and 30 June 2024:

	The Group		The Company	
	31-Dec-24 S\$'000	30-Jun-24 S\$'000	31-Dec-24 S\$'000	30-Jun-24 S\$'000
Financial assets				
Derivative financial assets	305	10	-	-
Financial assets measured at fair value through profit or loss	305	10	-	-
Trade and other receivables (excluding prepayment)	51,132	47,550	225	219
Cash and cash equivalents	22,217	27,998	13,155	17,164
Amounts due from subsidiaries	-	-	70,520	72,359
Financial assets measured at amortised cost	73,349	75,548	83,900	89,742
Financial liabilities				
Derivative financial liabilities	24	16	-	-
Financial liabilities measured at fair value through profit or loss	24	16	-	-
Trade and other payables	24,328	19,272	1,442	1,433
Bank borrowings	43,884	42,834	-	-
Lease liabilities	865	882	-	-
Amounts due to subsidiaries	-	-	30,643	36,922
Financial liabilities measured at amortised cost	69,077	62,988	32,085	38,355

6. Loss before taxation

6.1 Significant items

	31-Dec-24	31-Dec-23
	1H FY25	1H FY24
	S\$'000	S\$'000
Income		
Interest income	439	1,097
Reversal of loss allowance on trade receivables	103	-
Expenses		
Interest expenses	1,030	551
Depreciation	1,424	1,755
Property, plant and equipment written off	103	130
Amortisation of intangible assets	36	12
Loss allowance on trade receivables	-	3
Foreign exchange loss	1,808	536

Note

* Foreign exchange gain/loss includes net realised and unrealised foreign exchange gain/loss and fair value gain/loss on financial derivatives that are used mainly for hedging purposes.

6.2 Related party transactions

During the year, in addition to those disclosed elsewhere in these financial statements, the Groups entities entered into the following transactions with related parties:

	31-Dec-24	31-Dec-23
	1H FY25	1H FY24
	S\$'000	S\$'000
Sales to associates	1,151	5,153

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	31-Dec-24	31-Dec-23
	1H FY25	1H FY24
	S\$'000	S\$'000
Current income tax		
- Current	652	421
- Under/(Over)-provision in prior year	184	(566)
Total income tax expenses/(credit)	836	(145)

8. Earnings per share

	31-Dec-24 1H FY25	31-Dec-23 1H FY24
Loss (S\$'000)		
Loss for the purpose of basic and diluted loss per share (loss for the year attributable to the Company)	(936)	(4,979)
Number of shares		
Weighted average number of ordinary shares for the purpose of		
- basic share	623,825,811	623,825,811
- diluted share	623,825,811	623,825,811
Loss per share (cents)		
- basic	(0.15)	(0.80)
- diluted	(0.15)	(0.80)

9. Net asset value

	The Group		The Company	
	31-Dec-24	30-Jun-24	31-Dec-24	30-Jun-24
Number of ordinary shares	623,825,811	623,825,811	623,825,811	623,825,811
Total net asset value (attributable to owners of the Company) (S\$'000)	163,472	163,393	82,787	82,296
Net asset value per share (cents)	26.20	26.19	13.27	13.19

10. Intangible assets

	31-Dec-24 S\$'000	30-Jun-24 S\$'000
Cost:		
Balance at beginning of period	879	726
Addition	17	39
Acquisition of a subsidiary	-	123
Exchange difference	20	(9)
Balance at end of period	916	879
Accumulated amortisation:		
Balance at beginning of period	(126)	(110)
Amortisation	(36)	(21)
Exchange difference	4	5
Balance at end of period	(158)	(126)
Carrying amount:		
Business license	259	281
Computer software	472	445
Customer base	27	27
Balance at end of period	758	753

11. Goodwill

	31-Dec-24 S\$'000	30-Jun-24 S\$'000
Cost:		
Balance at beginning of period	17,479	-
Provisional goodwill arising on acquisition of a subsidiary	-	17,479
Balance at end of period	17,479	17,479
Carrying Amount:		
Balance at end of period	17,479	17,479

Note

* The Company is still undergoing purchase price allocation exercise and subject to finalisation, no adjustments have been made to the provisional goodwill at this stage.

12. Property, plant and equipment

During the financial period ended 31 December 2024, the Group acquired property, plant and equipment for an amounting of S\$1,171,000 (31 December 2023: S\$1,084,000), and written off property, plant and equipment amounting to S\$103,000 (31 December 2023: S\$130,000).

13. Borrowings

	31-Dec-2024		30-Jun-2024	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	19,895	-	17,907	-
Amount repayable after one year	23,989	-	24,927	-
Total borrowings	43,884	-	42,834	-

Details of collaterals

As at 31 December 2024 and 30 June 2024, the borrowings of the Group were secured by:

- (i) debentures over certain production lines;
- (ii) charge on certain leasehold land and building of a subsidiary;
- (iii) fixed deposits pledged as collateral
- (iv) corporate guarantees; and
- (v) keyman insurance

14. Share capital

	Group and Company	
	No. of share	S\$
Issuance and paid-up share capital as at 30 June 2024 and 31 December 2024	623,825,811	59,651,669

The Company had no outstanding convertibles, treasury shares and subsidiary holdings as at 31 December 2024, 30 June 2024 and 31 December 2023.

15. Acquisition of subsidiary

The Group had no such acquisitions during 1H FY25.

16. Subsequent events

UG Healthcare (USA), Inc.

On 22 January 2025, the Company's wholly-owned subsidiary, Unigloves (Singapore) Pte Ltd had entered into a share purchase agreement for the acquisition of 25.0% of the share capital of UG Healthcare (USA), Inc. ("**UG USA**") at an aggregate consideration of US\$500,000. Upon the completion of the acquisition, the indirect equity interest of the Company held in UG USA increased from 50.0% to 75.0% and UG USA associate was reclassified as an indirect 75%-owned subsidiary of the Company. Please refer to the Company announcement dated 23 January 2025 for more details.

F. Other information required by Catalyst Rules Appendix 7C

1. Review

The condensed consolidated statement of financial position of UG Healthcare Corporation Limited and its subsidiaries as at 31 December 2024 and the related condensed consolidated profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months period and certain explanatory notes have not been audited or reviewed.

2. Review of performance of the Group

Income Statements

The Group's revenue increased by S\$23.0 million from S\$49.7 million for the six months ended 31 December 2023 ("1H FY24") to S\$72.7 million for the six months ended 31 December 2024 ("1H FY25"). Revenue increased was mainly due to the increase in sales volume as well as the increase in average selling price ("ASP") of disposable gloves and ancillary products. Revenue of nitrile examination gloves and other ancillary products have increased by 114.0% and 86.6% respectively in 1H FY25 as compared to 1H FY24 mainly due to reasons describe above, while revenue of latex examination gloves remained fairly stable in both 1H FY25 and 1H FY24.

Cost of sales increased by S\$12.2 million from S\$41.6 million in 1H FY24 to S\$53.8 million in 1H FY25 in tandem with the increase of revenue.

Gross profit increased by approximately S\$10.7 million from S\$8.1 million in 1H FY24 to S\$18.8 million in 1H FY25 in tandem with both the increase in sales volume and the ASP of disposable gloves. Correspondingly, the gross profit margin of the Group increased from 16.3% in 1H FY24 to 25.9% in 1H FY25, contributed by higher gross profit margin across all product segments – latex examination gloves, nitrile examination gloves and other ancillary products in 1H FY25 as compared to 1H FY24.

Other income decreased by S\$0.4 million from S\$1.2 million in 1H FY24 to S\$0.8 million in 1H FY25 mainly due to the decrease in interest income from fixed deposits with the banks in tandem with the decrease interest rate environment during the period under review, partially offset by the reversal of over-provision of loss allowance on trade receivables. The Group's other expenses increased by S\$1.3 million from S\$0.6 million in 1H FY24 to S\$1.9 million in 1H FY25 due to the losses from foreign exchange.

Operating expenses comprising marketing and distribution expenses and administrative expenses increased by S\$3.7 million from S\$14.2 million in 1H FY24 to S\$17.9 million in 1H FY25. This was mainly due to the expansion of distribution network at the downstream distribution division following the acquisition of UG Germany in FY24.

Finance cost increased by S\$0.4 million from S\$0.6 million in 1H FY24 to S\$1.0 million in 1H FY25 due to the increase in interest expense from the loan for the acquisition of UG Germany.

Share of profits from joint venture recorded as S\$21,000 in 1H FY25 after the acquisition of UG Nitrex, S.L. in June 2024. Share of losses from associates increased slightly from S\$82,000 in 1H FY24 to S\$84,000 in 1H FY25 due to losses reported by USA associates.

After taking into account the tax expenses and minority interests, the Group's net loss attributable to the shareholders recorded as S\$0.9 mil in 1H FY25.

Financial Position

Non-current assets increased by approximately S\$1.9 million from S\$80.3 million as at 30 June 2024 to S\$82.1 million as at 31 December 2024 mainly due to increase in property, plant and equipment value of S\$2.3 million, partially offset by decrease in the deferred tax assets of S\$0.4 million.

Current assets increased by approximately S\$3.3 million from S\$146.2 million as at 30 June 2024 to S\$149.5 million as at 31 December 2024, mainly due to:

- Increase in inventories of S\$5.6 million from S\$61.3 million as at 30 June 2024 to S\$66.9 million as at 31 December 2024; and
- Increase in trade and other receivables by S\$3.7 million from S\$53.3 million as at 30 June 2024 to S\$57.0 million as at 31 December 2023; partially offset by
- Decrease in cash and bank balances of S\$5.8 million from S\$28.0 million as at 30 June 2024 to S\$22.2 million as at 31 December 2024; and
- Decrease in income tax assets of S\$0.5 million from S\$3.5 million as at 30 June 2024 to S\$3.0 million as at 31 December 2024.

Non-current liabilities decreased by approximately S\$0.8 million from S\$27.0 million as at 30 June 2024 to S\$26.2 million as at 31 December 2024 mainly due to decrease in long-term bank borrowing.

Current liabilities increased by approximately S\$7.0 million from S\$38.1 million as at 30 June 2024 to S\$45.1 million as at 31 December 2024 mainly due to:

- Increase in trade and other payables by S\$5.0 million from S\$19.3 million as at 30 June 2024 to S\$24.3 million as at 31 December 2024 due to increase in raw materials purchase volume in tandem with increase in sales volume; and
- Increase in current borrowings by S\$2.0 million from S\$17.9 million as at 30 June 2024 to S\$19.9 million as at 31 December 2024 due to increase in trade facilities utilisation.

The Group's net asset value increased slightly from S\$163.4 million as at 30 June 2024 to S\$163.5 million as at 31 December 2024. Similarly, net asset value increased slightly from 26.19 Singapore cents as at 30 June 2024 to 26.20 Singapore cents as at 31 December 2024.

Statement of Cash Flow

In 1H FY25, the net cash used in operations amounted to S\$5.8 million taking into account of the loss before tax of S\$1.2 million, adjusted for working capital outflows of S\$4.1 million which was mainly due to increase in trade and other receivables and increase in inventory. Net cash used in investing activities amounted to S\$0.7 million due to cash outflows on the purchases of property, plant and equipment, partially offset by interest received from fixed deposits. Net cash generated from financing activities amounted to S\$0.7 million mainly due to the net increase in the bank borrowings.

3. 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 previously disclosed to shareholders.

4. 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 operating period and the next 12 months

The Group recorded higher sales volume and an increase in average selling price of disposable examination gloves and ancillary products as global demand and supply of disposable gloves and personal protective equipment continue to stabilise.

In January 2025, the Group announced that it had increased its equity interest in UG Healthcare (USA) from 50.0% to 75.0% as part of its growth strategy to optimise its integrated own brand manufacturing ("OBM")

business model. This strategic acquisition strengthens its downstream distribution network in the North American market.

The Group will be able to increase the production of premium disposable examination glove products if it is more cost-effective to produce them, as it has its third manufacturing facility in place. By leveraging its **UNIGLOVES®** brand and entrenched downstream distribution network, the Group has the option to collaborate with cost-effective product manufacturers to enrich its product portfolio and offer it to a broader customer base. This would potentially strengthen the Group's fundamentals in the gloves-related healthcare business.

The planning and joint development, management, and operation of the active retirement homes in Desaru, Malaysia, are currently underway. The project will require time to make material progress, given its nature as a property development.

The Group will update shareholders on material developments as and when they arise.

5. Dividend

Not applicable. No dividend has been declared for 1H FY25.

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

No dividend has been declared or recommended for 1H FY25 as the Group wishes to conserve cash for expansion and growth.

7. Dividend information for the corresponding period of the immediate preceding financial year

No dividend has been declared during the corresponding period of the immediate preceding financial year.

8. Interested person transactions

The Group has not obtained any IPT mandate from the shareholders. There is no IPT entered into during 1H FY25.

9. Confirmation pursuant to Rule 720(1) of the Catalist Rules

The Company has received undertaking from all its Directors and Executive Officers in the format as set out in Appendix 7H under Rule 720(1) of the Catalist Rules of the SGX-ST.

10. Confirmation pursuant to Rule 705(5) of the Catalist Rules

The Board of Directors of the Company hereby confirms, to the best of its knowledge, nothing has come to its attention which may render the unaudited financial results for the first half and six months financial period ended 31 December 2024 to be false or misleading in any material aspect.

By order of the Board
UG Healthcare Corporation Limited

LEE KECK KEONG
Executive Director and CEO

LEE JUN YIH
Executive Director and Finance Director

14 February 2025