UGHEALTHCARE CORPORATION

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

UG Healthcare strengthens financial performance with strategic downstream distribution network expansion

- Revenue and gross profit were enhanced by a broadened product portfolio of hand protection solutions and non-glove hygiene and healthcare ancillary products
  - achieved through collaborating with reliable manufacturers to produce under its proprietary **UNI**GLOVES® brand and its expanding distribution network
- The Group remains committed to ensuring the flexibility and resilience of its integrated OBM supply chain approach, allowing swift response to market demands and emerging trends
  - this strategy allows the Group to maintain high-quality products and enhance its market presence while meeting the diverse needs of its customers in areas of infection control, hygiene and care, dental care, and wound care across its key markets

KEY FINANCIAL HIGHLIGHTS:

FYE 30 June (S$ 'mil)	2H FY25	2H FY24	YoY Change	FY25	FY24	YoY Change
Revenue	**71.41**	65.51	9.0%	**144.07**	115.21	25.1%
Gross profit	**15.91**	17.75	(10.4)%	**34.74**	25.87	34.3%
Gross margin	**22.3%**	27.1%	(4.8) pp	**24.1%**	22.5%	1.6 pp
Loss before tax	**(2.19)**	(2.93)	(25.2)%	**(3.44)**	(9.09)	(62.2)%
Loss after tax	**(2.34)**	(2.77)	(15.6)%	**(4.42)**	(8.78)	(49.7)%
Net loss (1)	**(2.86)**	(1.08)	> 100.0%	**(3.79)**	(6.06)	(37.4)%
LPS (2) (cents)	**(0.46)**	(0.17)	> 100.0%	**(0.61)**	(0.97)	(37.1)%

Notes:

* 1H denotes 6 months and FY denotes 12 months ended 30 June; pp denotes percentage points.

(1) Net loss attributable to owners of the Company.

(2) Loss per share ("**LPS**") was computed based on the average weighted number of shares of 623.8 million for 2H FY25, 2H FY24, FY25 and FY24.

SINGAPORE, 28 August 2025 – SGX Catalist-listed **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, has narrowed its net loss by 37.4% year-on-year from S$6.1 million in FY24 to S$3.8 million in FY25. Although global market demand and supply for disposable examination gloves and hygiene and healthcare ancillary products, such as healthcare consumables for infection control and dental care, continue to converge, tariff uncertainties and rising inflationary pressures have intensified market competition. The improvement in financial performance was attributed to higher sales volumes and a relatively stable average selling price across a broadened product portfolio of disposable examination gloves and ancillary products, supported by an expanded downstream distribution network. This improvement was, however, counterbalanced by an increase in operating expenses due to the strategic expansion of the downstream distribution network, as well as expenses comprising impairment of property, plant and equipment, inventory written off, and realised foreign exchange losses resulting from the depreciation of the US dollar and Chinese yuan against the Singapore dollar, totalling approximately S$2.0 million in the second half of FY25.

Commenting on the FY25 financial performance, Mr. Lee Jun Yih, Joint CEO and Finance Director of UG Healthcare, said, "**The ongoing global trade tensions and tariff uncertainty, coupled with rapidly changing market dynamics, continue to present significant challenges for businesses in making long-term decisions about their supply chains. We believe this situation fosters a preference for holding strategies, which in turn stimulates competition and currency volatility, thereby impeding a recovery towards market equilibrium.**

As we strategically expanded our downstream distribution network to optimise our enhanced portfolio of proprietary UNIGLOVES® branded hand protection solutions, along with non-glove hygiene and healthcare ancillary products, we encountered currency volatility stemming from the countries in which we operate. This volatility affected not only our profitability but also influenced our strategic planning.

Nonetheless, we remain confident that the flexibility and resilience of our integrated own brand manufacturing ("OBM") supply chain approach, despite raising our operating expenses, are essential in the short term, and we will continue to foster sustainable growth as we work to address macroeconomic challenges."

Currently, the Group continues to manufacture premium-quality disposable examination glove products at its upstream manufacturing facilities, and it also actively collaborates with cost-effective manufacturers to supply both disposable and reusable glove products, as well as non-glove hygiene and healthcare consumables for infection control and dental care, to enrich its extensive range of products. Through its entrenched downstream global distribution network, the Group markets and sells these products under its proprietary **UNI**GLOVES® brand.

Mr. Lee adds, "**Through the effective management of our established downstream distribution network, we believe our integrated OBM supply chain approach enhances operational efficiency and enables the Group to respond swiftly to market demands and emerging trends, thereby ensuring the Group's competitiveness in a rapidly evolving market. By forging partnerships with reliable manufacturers, we seek to uphold quality and strengthen our market presence while addressing the diverse needs of our customers in areas of infection control, hygiene and care, dental care, and wound care across our key markets.**"

FINANCIAL REVIEW

Despite ongoing trade tensions and intense competition, the Group recorded a 25.1% year-on-year increase in revenue from S$115.2 million in FY24 to S$144.1 million in FY25. The increase was attributable to higher sales volume across all product segments with the expanded downstream distribution network.

REVENUE ANALYSIS BY PRODUCT SEGMENTS

FYE 30 Jun (S$ 'mil)	Revenue			Gross Profit			Gross Margin	
	FY25	FY24	Variance	FY25	FY24	Variance	FY25	FY24
Latex examination gloves	61.27	59.29	3.4%	15.73	14.39	9.3%	25.7%	24.3%
Nitrile examination gloves	66.32	43.90	51.1%	15.69	9.58	63.9%	23.7%	21.8%
Other ancillary products	16.48	12.02	37.1%	3.32	1.90	74.8%	20.2%	15.8%
Group total	**144.07**	**115.21**	**25.1%**	**34.74**	**25.87**	**34.3%**	**24.1%**	**22.5%**

In FY25, nitrile disposable examination gloves and ancillary products, such as reusable gloves, masks and bandages, recorded a commendable increase in revenue, while latex disposable examination gloves recorded modest growth.

The strategic expansion in Germany and Spain during the fourth quarter of FY24, along with the USA in the third quarter of FY25, has strengthened the Group's downstream distribution network and enhanced its market presence in developed countries. All key markets, particularly in Europe and North America, experienced commendable revenue growth, with the exception of South America.

REVENUE ANALYSIS BY KEY MARKETS

FYE 30 June (S$'mil)	1H FY25	2H FY25	FY25	FY24	Variance
Europe	45.33	42.72	88.05	63.43	38.8%
North America	4.29	6.75	11.04	5.04	>100.0%
South America	6.14	5.82	11.96	19.81	(39.6)%
Africa	4.17	4.05	8.22	6.81	20.7%
Asia	11.68	10.69	22.37	18.50	21.0%
Others	1.05	1.38	2.43	1.62	50.7%
Group total	**72.66**	**71.41**	**144.07**	**115.21**	25.1%

Note: As a result of the integrated supply chain, the Group recognises sales only after the products have been sold by the distribution companies. The goods in transit and in the warehouses of its distribution companies are recorded as inventory, and can only be recognised as revenue when they are sold to end consumers.

Through the Group's integrated OBM supply chain and its collaboration with cost-effective manufacturers to enrich its product portfolio under the proprietary **UNI**GLOVES® international brand, the Group achieved a 34.3% year-on-year increase in gross profit, rising from S$25.9 million in FY24 to S$34.7 million in FY25. Correspondingly, the Group's composite gross margin improved from 22.5% in FY24 to 24.1% in FY25.

Other income decreased by 45.8% year-on-year from S$2.4 million in FY24 to S$1.3 million in FY25 due to lower interest income from the fixed deposits with the banks, which coincided with the decrease in the interest rate environment.

Other expenses decreased by 51.4% year-on-year from S$3.5 million in FY24 to S$1.7 million in FY25 due to the reduction in foreign exchange losses, which was partially offset by the impairment of machinery at the upstream manufacturing division and the increase in amortisation of intangible assets arising from the acquisition of Unigloves Germany in FY24.

Operating expenses, which include marketing and distribution expenses as well as administrative costs, rose by 9.4% year-on-year, increasing from S$32.5 million in FY24 to S$35.6 million in FY25. This increase was primarily attributable to higher marketing expenditures and a rise in staff costs, resulting from the strategic expansion of the downstream distribution network.

Finance costs increased by 70.5% year-on-year from S$1.3 million in FY24 to S$2.2 million in FY25. The increase was attributed to a rise in trade facilities and the interest expense on the loan secured for acquiring the equity interest in Unigloves Germany.

Share of profits from the joint venture was S$47,000 in FY25 following the acquisition of UG Nitrex S. L. in June 2024. Share of losses from associates reported by the USA associates increased slightly from S$77,000 in FY24 to S$84,000 in 1H FY25.

The Group narrowed its net loss attributable to shareholders by 37.4% year-on-year, down from S$6.1 million in FY24 to S$3.8 million in FY25 after accounting for tax expenses and minority interests.

FINANCIAL POSITION ANALYSIS

FYE 30 June (S$ 'mil)	**As at 30 June 2025**	**As at 30 June 2024**	Variance (%)
Equity attributable to the owners of the Company ("**Net asset value**")	158.73	163.39	(2.9)
Cash and bank balances	23.29	28.00	(16.8)
Long-term bank borrowings	22.50	24.93	(9.7)
Short-term bank borrowings	24.26	17.91	35.5
Net asset value per share	S$0.2545	S$0.2619	(2.8)

Note: Net asset value per share was computed based on the share capital of approximately 623.8 million shares as at 30 June 2025 and 30 June 2024.

The Group's balance sheet remains fundamentally sound with net asset value declining marginally by 2.9% year-on-year, from S$163.4 million as at 30 June 2024 to S$158.7 million as at 30 June 2025 on the back of the net loss in FY25. The increase in borrowings was mainly due to higher trade facilities with the expanded downstream distribution network and the long-term loan for the acquisition of Unigloves Germany. Consequently, the net asset value per share increased from S$0.2619 as at 30 June 2024 to S$0.2545 as at 30 June 2025.

The Company will update shareholders on material developments of the Group, as and when they arise.

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This media release is to be read in conjunction with the Company's results announcement posted on the SGX website on 28 August 2025.

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 specialises in the marketing and sale of proprietary **UNI**GLOVES® branded hand protection solutions, as well as non-glove hygiene and healthcare ancillary 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, North America, and South America, where it primarily markets and sells its proprietary **UNI**GLOVES® portfolio of hand protection solutions and non-glove hygiene and healthcare ancillary products. These disposable and reusable hand protection products are used across a diverse range of industries that require safety and cross-infection protection and high hygiene standards, as well as catering to different applications and preferences. Along with its range of non-glove hygiene and healthcare ancillary products, the Group aims to address infection control, hygiene and care, dental care, and wound care across diverse industries.

The downstream distribution division is 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 the British Standards Institution 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. The Group's proprietary brand of products conforms to various international standards and requirements.

The Group also has a strategic investment in the joint development, management, and operation of active retirement homes in Malaysia.

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

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

Investor relations contact:

Rosalina Soh 苏沛熙
Mobile : (65) 9677 6683
Email : rosalina@octavecomms.com

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

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The contact person for the Sponsor is Ms Charmian Lim (Telephone: +65 6232 3210) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.