UG Healthcare Corporation Limited
(Incorporated in Singapore with Unique Entity No.: 201424579Z)
SGX Stock Code: 41A
website: www.ughealthcarecorporation.com

Business Update

The board of Directors (the "**Board**") of UG Healthcare Corporation Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to provide an update to shareholders on its business operations amid uncertainties due to the global COVID-19 pandemic.

1. The Group has been striving its best to cope with the increasing orders for gloves and ancillary products from both existing and new customers since the outbreak of COVID-19 in its core markets of Europe, North America, South America, China and Africa.

2. The surge in demand for gloves and healthcare/medical disposables has led to higher average selling prices. The Group remains committed to building long-term business relationships with its customers.

3. The Group is currently operating at its optimum production efficiency with the existing production capacity of 2.9 billion gloves per annum. The planned additional annual capacity of 300 million gloves will be added in the financial year ending 30 June 2021 ("**FY2021**"). Beyond this, the Group will announce its plans for further expansion of its production capacity in due course.

4. The Group has continued to strengthen and entrench its proprietary "Unigloves" brand in all the markets which it operates in.

5. While the Group continues to operate both its upstream glove manufacturing and downstream distribution businesses, it does so in accordance with the directives of the respective governments and authorities where it has operations. Its utmost priority is to ensure the health and safety of employees.

   The Group has put in place precautionary measures to prevent transmission of the Covid-19 virus at all its upstream and downstream premises in Malaysia and other countries where the Group operates, to safeguard its employees, business partners, and the community.

The Board will continue to monitor the evolving situation and update shareholders as and when there are material developments.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take, should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers before trading in or making any investment decision regarding the Company's securities.

By Order of the Board
UG Healthcare Corporation Limited

Lee Keck Keong
Executive Director and CEO

19 May 2020

About UG Healthcare Corporation Limited 优格医疗有限公司

(Stock Codes – SGX: 41A | Bloomberg: UGHC SP | Reuters: UGHE.SI)

UG Healthcare Corporation Limited ("**UG Healthcare**" and together with its subsidiaries, the "**Group**"), is a disposable gloves manufacturer with its own established global downstream distribution that markets and sells disposable glove products under its proprietary "**Unigloves**" brand.

The Group owns and operates an extensive downstream network of distribution companies with a local presence in Europe, United Kingdom, USA, China, Africa, South America, Japan, Korea and Canada, where it markets and sells its own proprietary "Unigloves" brand of disposable gloves. The Group also distributes ancillary products including surgical gloves, vinyl and cleanroom disposable 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 "Unigloves" brand and third-party labels in its manufacturing facilities located in Seremban, Malaysia.

Its "Unigloves" brand of disposable gloves offers an extensive product range that includes both specialised products, with a variety of coatings, scents, colours, thickness, anti-microbial 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.

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

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*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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