UG HEALTHCARE CORPORATION
优格医疗集团

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

UNIGLOVES®
KEEPING YOU SAFE



Credit Suisse ASEAN Conference

January 2021

An Overview of UG Healthcare Group

- **A disposable gloves manufacturer with its own established global downstream distribution** that markets and sells **in its proprietary "Unigloves" brand – "OBM model"**

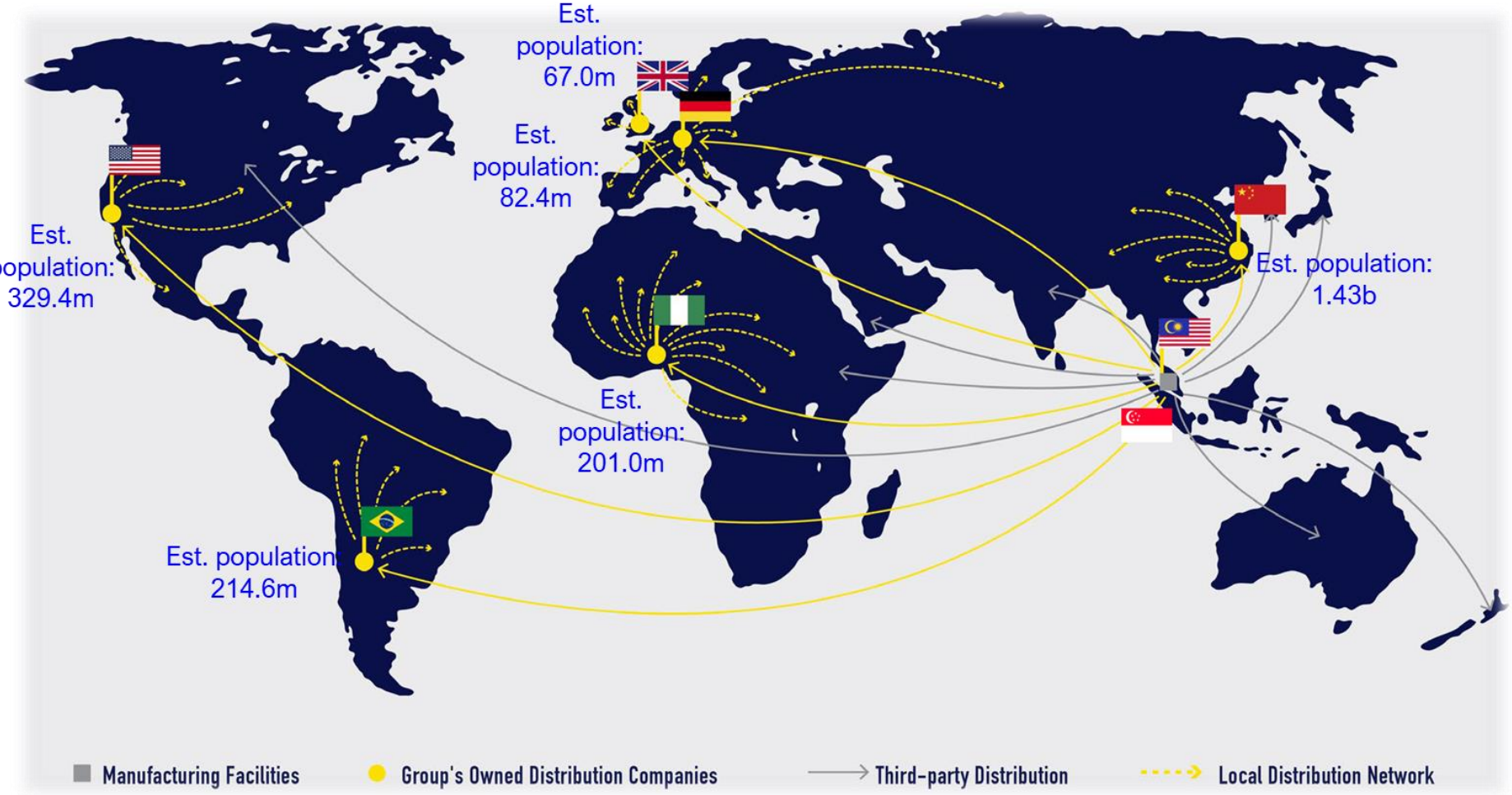
- **Owns and operates extensive downstream distribution companies in key markets** – Europe, the USA, China, Africa and South America
  - ➔ **6 main distribution companies –** 3 in developed countries and 3 in developing countries
  - ➔ with its **own local sales & marketing, warehousing, logistics and distribution infrastructure**

- **Upstream manufacturing division** located in Seremban, Malaysia
  - ➔ current capacity of **2.9 billion** pieces of gloves per annum for **nitrile and natural latex** examination gloves is operating at **optimum efficiency**
    - **85%** of current capacity produced and sold in **own "Unigloves" brand**
  - ➔ **capacity expansion plans of 500 million** pieces of gloves per annum by end March 2021 ("**3Q FY21**") and **1.2 billion** pieces of gloves per annum by end June 2021 ("**4Q FY21**") **are underway**
  - ➔ Group to have a production capacity of **4.6 billion pieces of gloves per annum by end June 2021**

- Own **"Unigloves" brand offers an extensive product range** of disposable gloves required **for cross infection protection and hygiene standards**

Key Strategic Markets

- **Each downstream distribution centres sells** to more than 1,000 customers **in its own market and surrounding region**, primarily to **small and mid-sized distributors and end-users**
  - ➔ Group has a **diversified and stable base** of **over 5,000 customers**



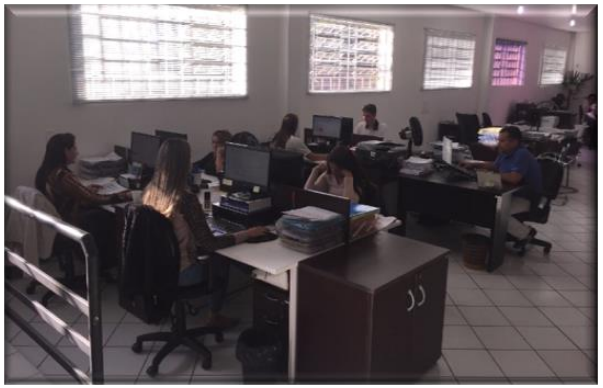
Source for estimated population size: Wikipedia

Distribution through Local Presence

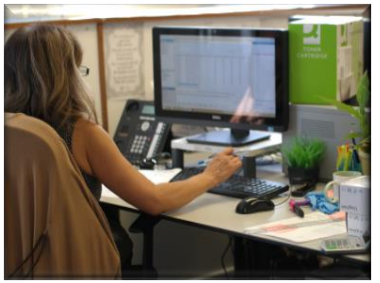
- Emphasises on **building own "Unigloves" brand** of disposable glove products by **cultivating demand through established local presence**
  - ➔ Each distribution company **manages its own business operation and distribution infrastructure**, and drives sales through **marketing campaigns customised for its respective markets**.



Unigloves Nigeria



Unigloves Brazil



Unigloves UK



Unigloves Germany





Marketing Approach

- Customises marketing campaigns for its **strategic key markets**
  - ➔ **Brazil, Nigeria and China are key evolving markets** ⇨ participation of trade shows and international events to **enhance brand awareness**



Unigloves Brazil - Participation of International Dentistry Congress of Sao Paula (CIOSP) in January 2019





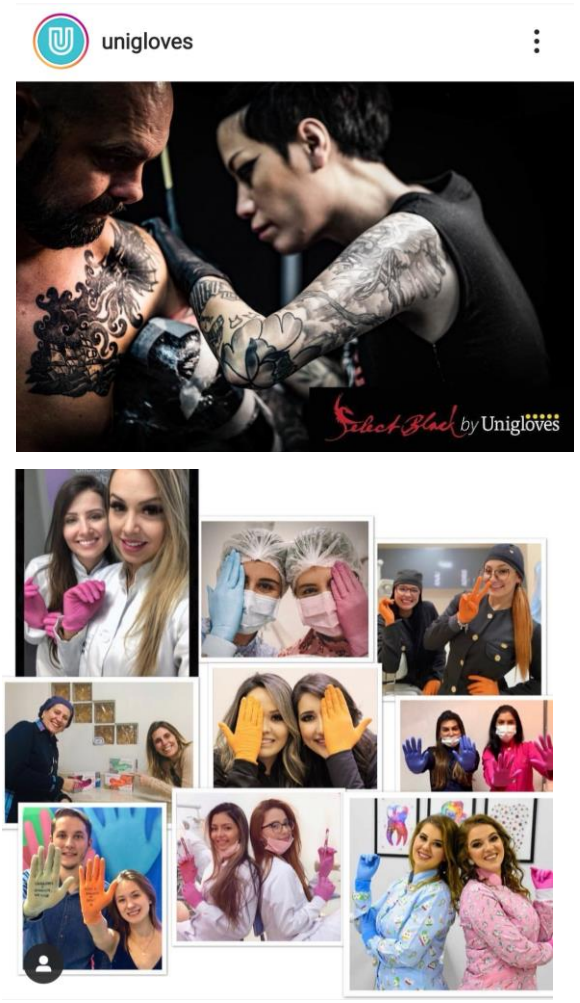


Unigloves China

Staying Abreast with Technology

- **Uses digital marketing to reach out to wide customer base**

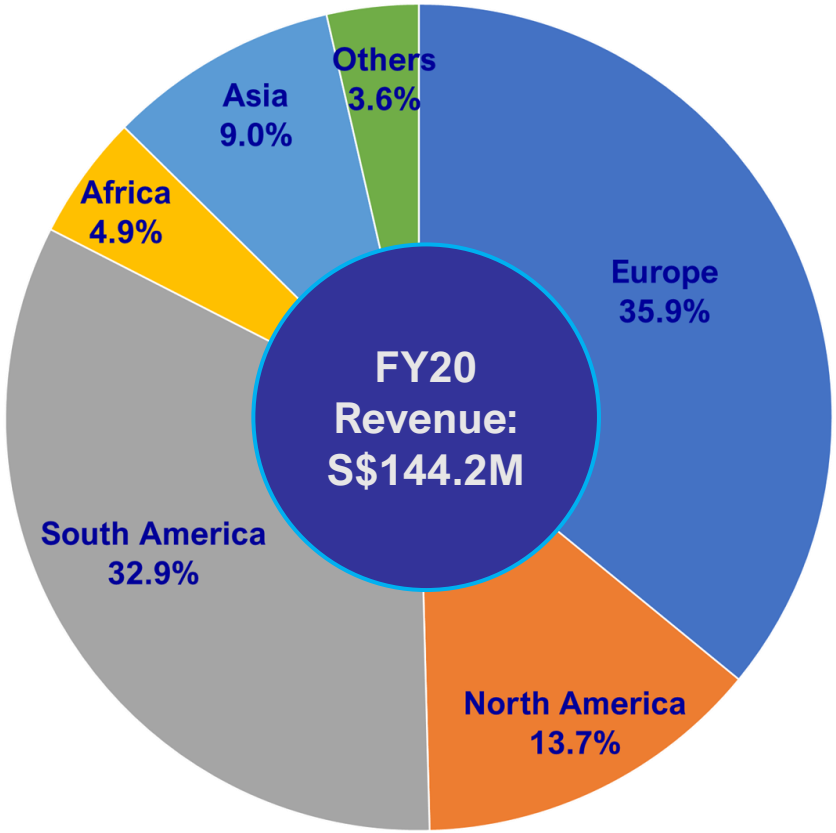


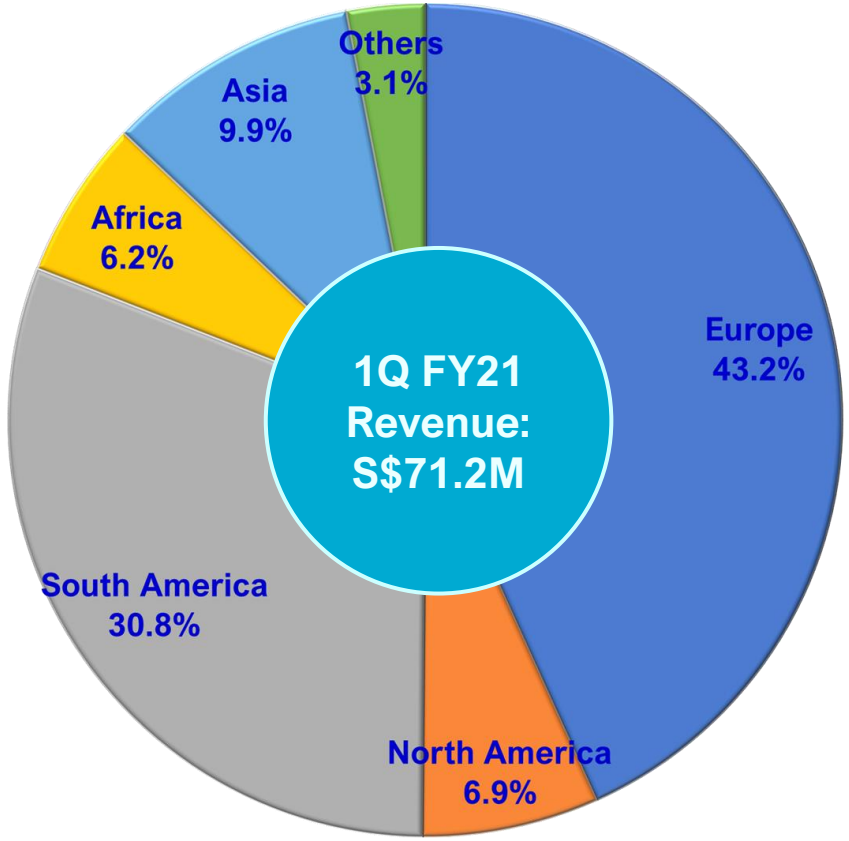




Revenue by Key Markets

- **Focuses its efforts in key developing markets of Brazil, Nigeria and China**
- **Europe continues to be a core market**





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.

Revenue by Key Markets

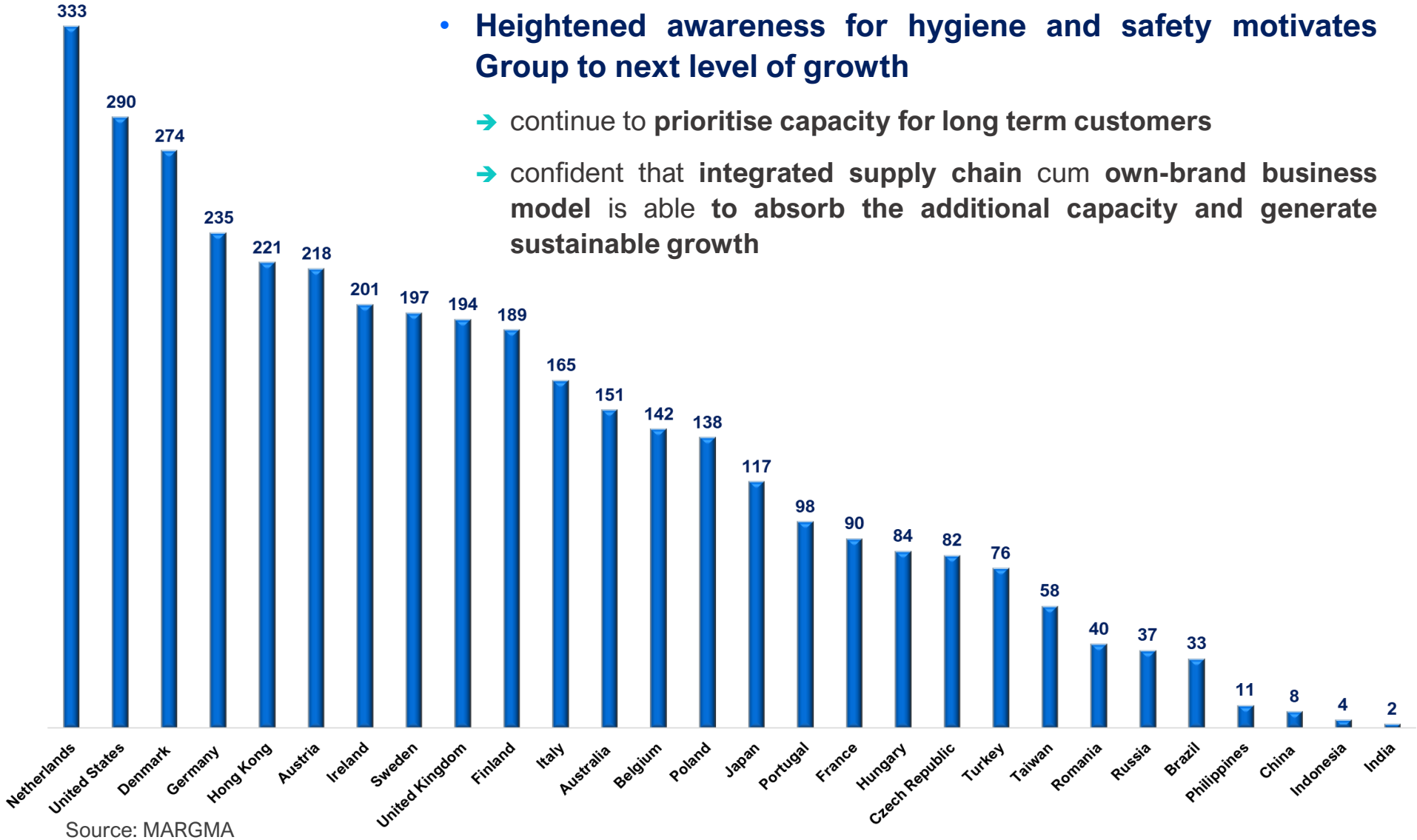
- **Revenue from developing countries and Europe continue to grow significantly**

Key Markets	1Q FY20 (S$'000)	1Q FY21 (S$'000)	YoY Increase (%)	FY20 (S$'000)
Europe	10,905	**30,708**	> 100.0	51,798
North America	3,814	**4,893**	+ 28.3	19,706
South America	6,488	**21,926**	> 100.0	47,489
Africa	1,486	**4,391**	> 100.0	7,022
Asia	2,069	**7,012**	> 100.0	13,019
Others	1,540	**2,176**	+ 41.3	5,175
Total	**26,302**	**71,178**	**> 100.0**	**144,209**

Note: The financial year end of the Company is 30 June.

Global Glove Consumption Per Capita in 2018 (Pre-COVID)

(pieces of glove)

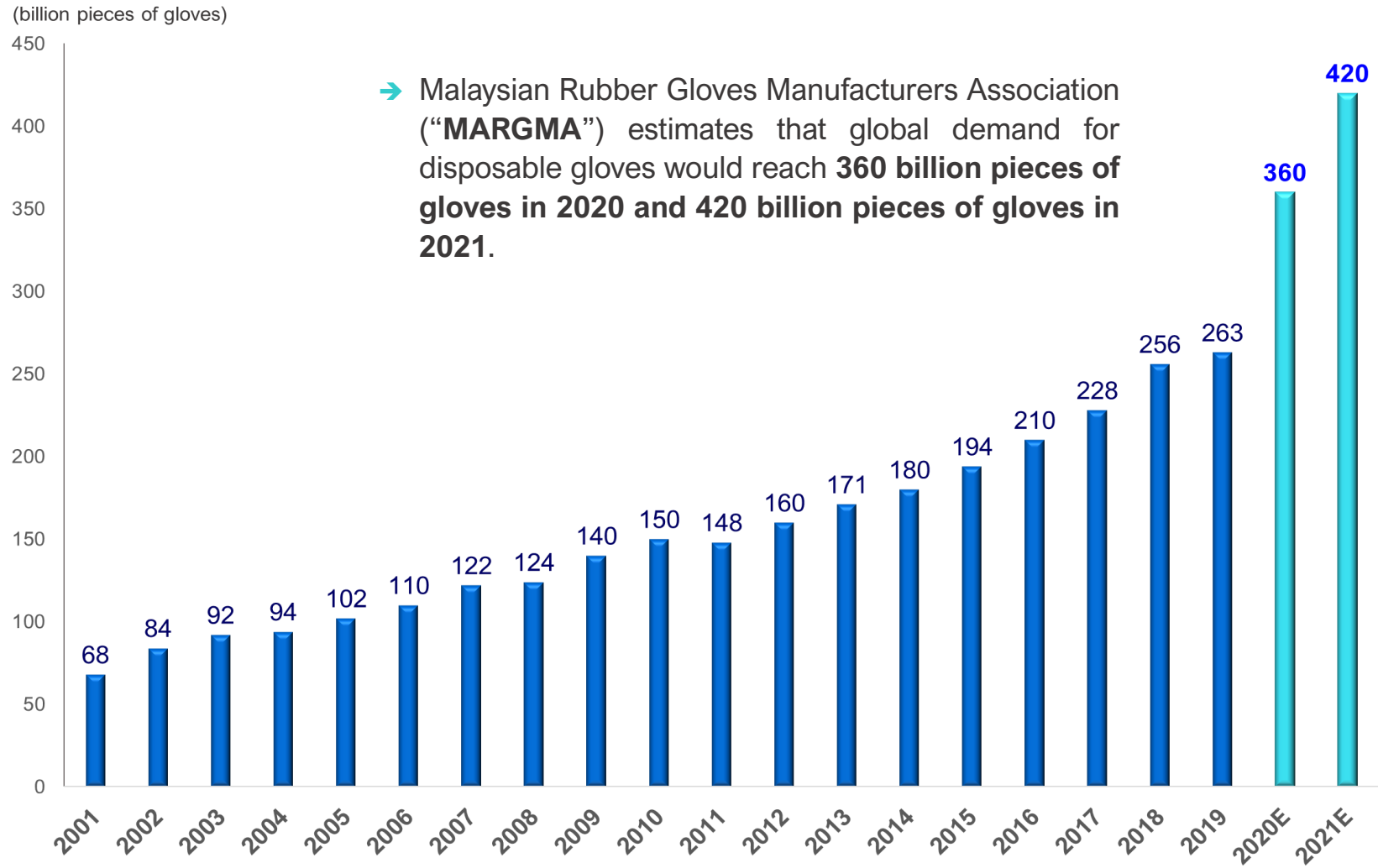


- **Heightened awareness for hygiene and safety motivates Group to next level of growth**
  - ➔ continue to **prioritise capacity for long term customers**
  - ➔ confident that **integrated supply chain** cum **own-brand business model** is able **to absorb the additional capacity and generate sustainable growth**

Source: MARGMA

Global Glove Demand

- Group on track to **achieve higher revenue and improved earnings** in the coming quarters with **optimum efficiency at upstream manufacturing and economies of scale at downstream distribution**



Capacity Expansion Plans

- **500 million** pieces of gloves per annum to be added to the existing premise, bringing **Group's total capacity to 3.4 billion pieces** of gloves per annum by end **March 2021** (3Q FY21).

Existing Manufacturing Facility

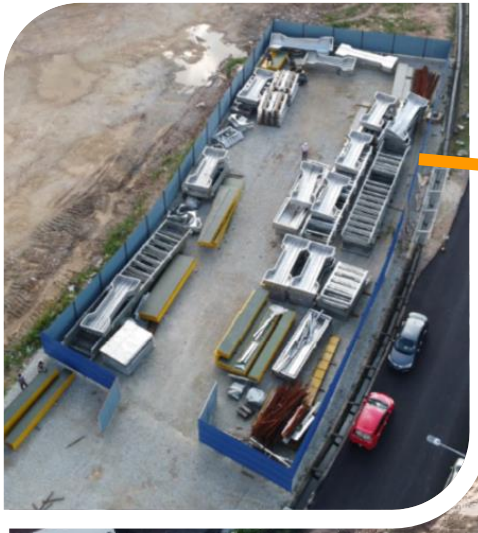


- Land acquired for capacity expansion

- **Close proximity** between the new and existing manufacturing facilities in Seremban, Malaysia.

Capacity Expansion On Track

- Equipment waiting for installation in existing manufacturing facility for **production capacity of 500 million** pieces of gloves per annum



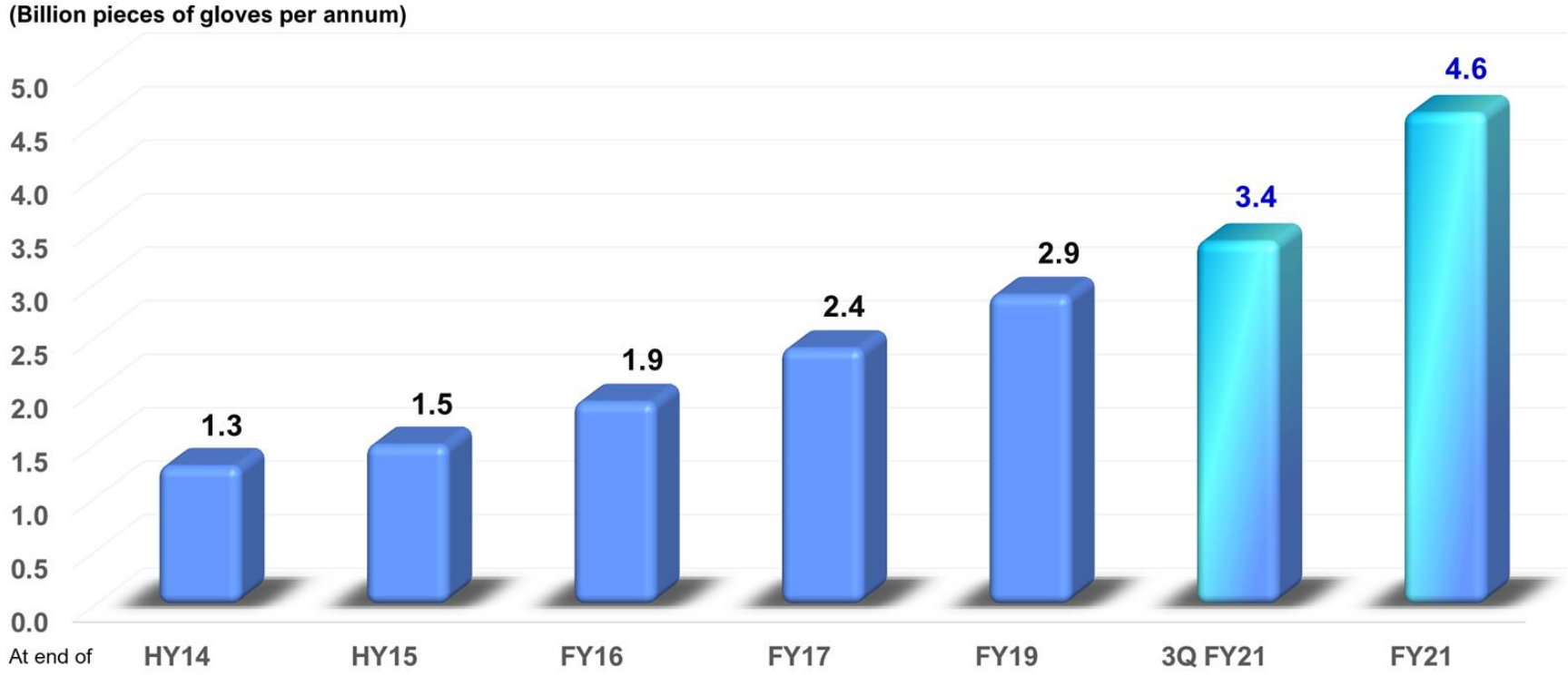
Existing Manufacturing Facility

New Manufacturing Facility to be built

- Land acquired for capacity expansion of **1.2 billion pieces** of gloves per annum, bringing **Group's total capacity to 4.6 billion pieces** of gloves by end **June 2021** (4Q FY21).

Capacity Expansion Milestone

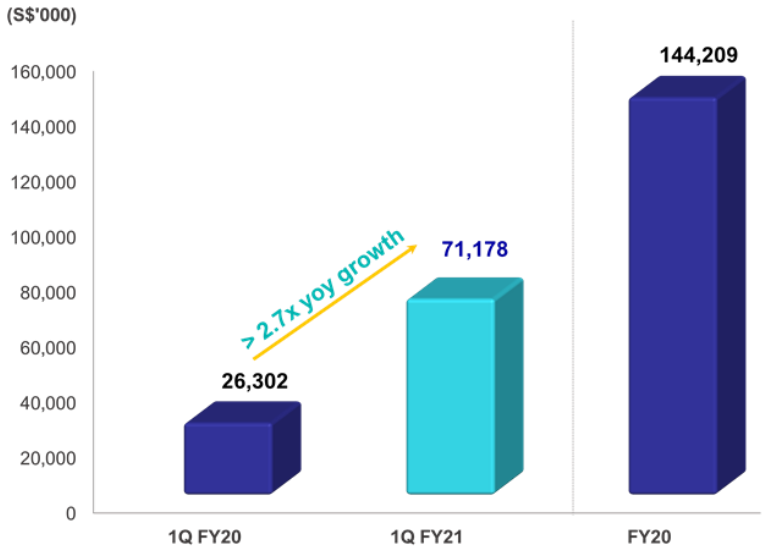
- Current upstream manufacturing capacity of **2.9 billion pieces** of gloves per annum is operating at its **optimum efficiency**
  - ➔ aggregate **increase of 1.7 billion pieces** of gloves to **cope with existing demand from downstream distribution networks** will be in **own "Unigloves" brand**
  - ➔ to **maintain production of nitrile and natural latex** examination gloves in **equal proportion**



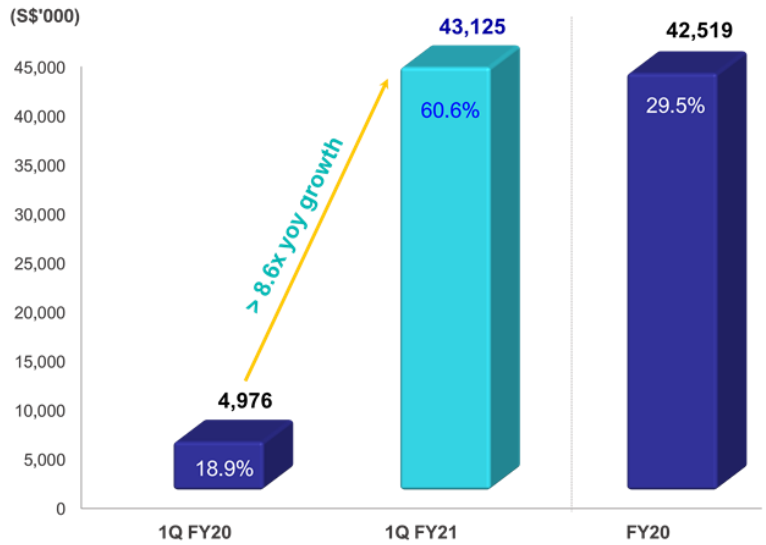
Note: The financial year end of the Company is 30 June.

Financial Performance

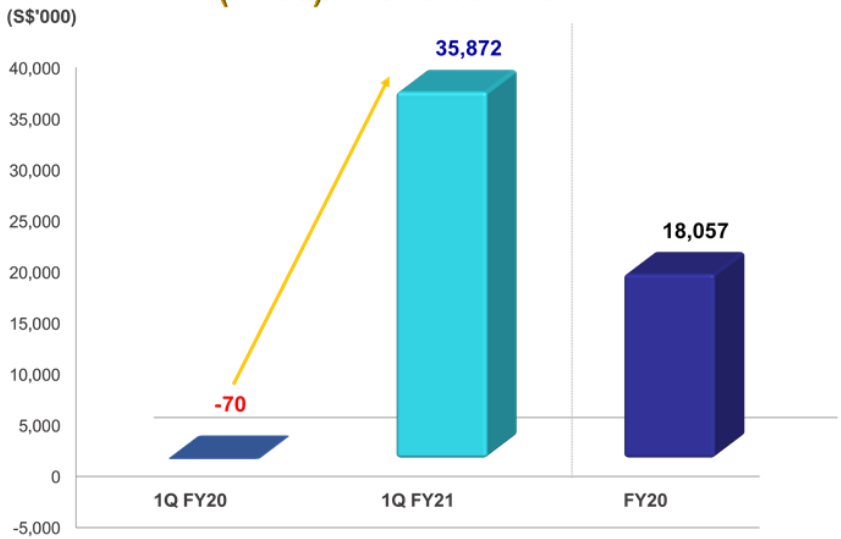
Revenue



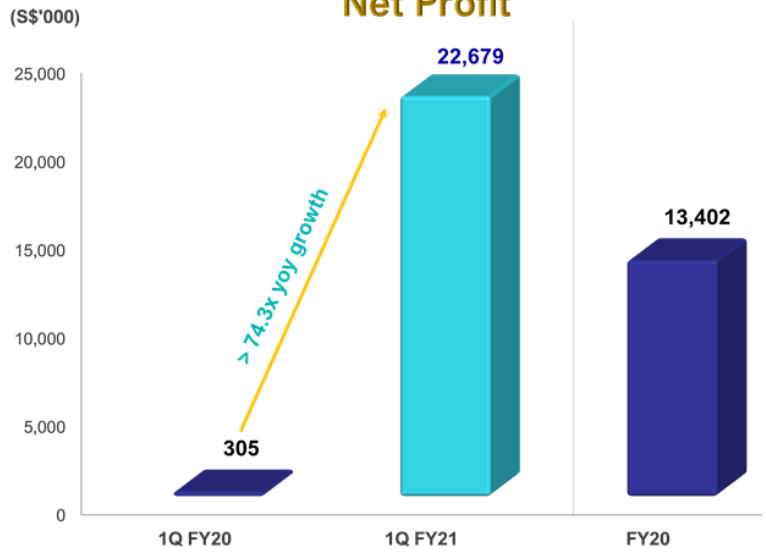
Gross Profit & Gross Margin



(Loss)/Profit before Tax

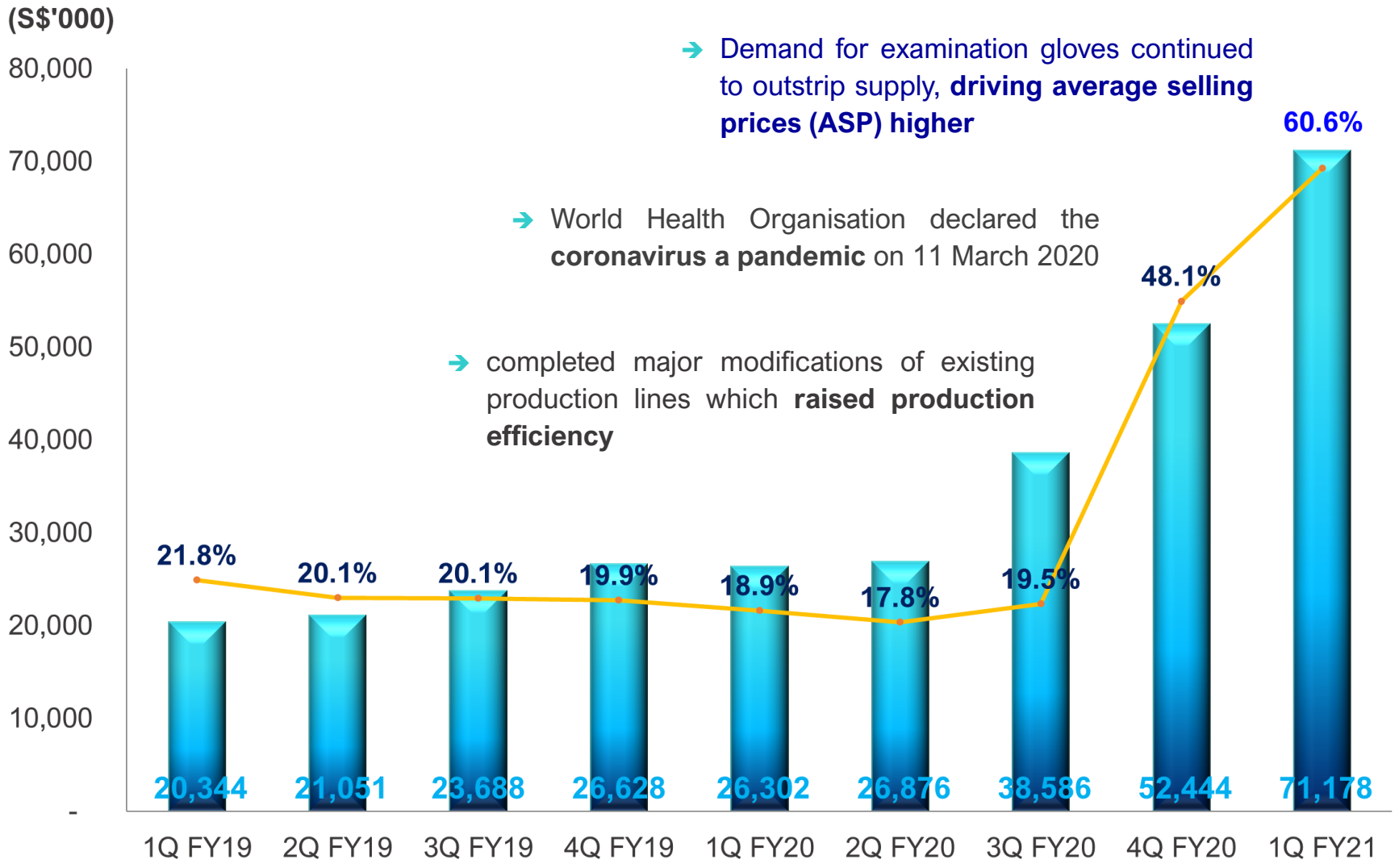


Net Profit



Note: The financial year end of the Company is 30 June.

Quarterly Revenue and Gross Margin



Note: The financial year end of the Company is 30 June.

Financial Position

- **Strengthened balance sheet puts the Group in net cash position**

FYE 30 Jun (S$'000)	As at 30 Sep 2020	As at 30 Jun 2020
Total equity	98,963	54,272
Cash and bank balances	24,138	9,292
Long-term bank borrowings	7,740	4,595
Short-term bank borrowings	13,407	30,520
NAV per share [1] (Singapore cents)	16.09	9.23

Note: Net asset value ("**NAV**") per share were computed based on the share capital of 614.98 million shares as at 30 September 2020 and 588.28 million shares (post-split) as at 30 June 2020.

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Information in this presentation may contain forward-looking statements that reflect the current views of UG Healthcare Corporation Limited ("**UG Healthcare**" and together with its subsidiaries, the "**Group**") with respect to future events and financial performance. These views are based on current assumptions which are subject to unknown risks and uncertainties, which may change over time. No assurance can be given that future events will occur, that projections will be achieved, or that the assumptions are correct. Actual results may differ materially from those anticipated as a result of the risks faced by us.

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Thank You!

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