UG Healthcare Corporation Limited
(Incorporated in Singapore with Unique Entity No.: 201424579Z)
SGX Stock Code: 8K7
website: www.ughealthcarecorporation.com

HALF YEARLY ANNOUNCEMENT FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2020

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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.*

The contact person for the Sponsor is Ms Charmian Lim (Telephone no.: (65) 6232 3210) at 1, Robinson Road, #21-00 AIA Tower, Singapore 048542.

PART I INFORMATION REQUIRED FOR HALF-YEAR (1H FY21) AND FULL YEAR ANNOUNCEMENTS

1(a)(i) CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME- FIRST HALF AND 6 MONTHS ENDED 31 DECEMBER 2020

	Group Six months ended		
	31-Dec-20 1H FY21 S$'000	31-Dec-19 1H FY20 S$'000	Increase/ (Decrease) %
Revenue	159,417	53,178	>100.0
Cost of sales	(60,189)	(43,415)	38.6
Gross profit	99,228	9,763	>100.0
Other income	167	132	26.5
	99,395	9,895	>100.0
Marketing and distribution expenses	(3,610)	(1,568)	>100.0
Administrative expenses	(13,476)	(6,375)	>100.0
Other expenses	(1,683)	(353)	>100.0
Finance costs	(377)	(1,008)	(62.6)
Share of profits from associates	1,800	255	>100.0
Profit before tax	82,049	846	>100.0
Income tax expense	(20,921)	(540)	>100.0
Profit for the period	61,128	306	>100.0
Other comprehensive loss			
Exchange differences on translating foreign operations	1,861	(663)	N.M.
Total comprehensive income/(loss) for the period	62,989	(357)	N.M.
Profit/(loss) attributable to:			
Owners of the Company	54,939	846	>100.0
Non-controlling interests	6,189	(540)	N.M.
	61,128	306	>100.0
Total comprehensive income/(loss) attributable to:			
Owners of the Company	56,567	236	>100.0
Non-controlling interests	6,422	(593)	N.M.
	62,989	(357)	N.M.
Earnings per share (cents)			
Basic	9.05	0.14	
Diluted	9.05	0.14	

N.M. – not meaningful

1(a)(ii) NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Group Six months ended		
	31-Dec-20 1H FY21 S$'000	31-Dec-19 1H FY20 S$'000	Increase/ (Decrease) %
Interest income	(74)	(90)	(17.8)
Net foreign exchange loss*	1,509	209	>100.0
Sundry income	(86)	(37)	>100.0
Interest expense on borrowings	377	1,008	(62.6)
Depreciation	1,153	1,008	14.4
Property, plant and equipment written off	137	174	(21.3)
Amortisation of intangible assets	9	10	(10.0)
Loss allowance on trade receivables	5	6	(16.7)
Gain on disposal of property, plant and equipment	(7)	(5)	40.0

N.M. – not meaningful

Note

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

1(b)(i) STATEMENT OF FINANCIAL POSITION OF THE GROUP AND THE COMPANY

	Group		Company	
	31-Dec-20 S$'000	30-Jun-20 S$'000	31-Dec-20 S$'000	30-Jun-20 S$'000
ASSETS				
Non-current assets				
Subsidiaries	-	-	32,621	32,621
Associates	5,996	4,932	-	-
Property, plant and equipment	37,119	31,516	-	-
Intangible assets	271	262	-	-
Deferred tax assets	99	318	-	-
Total non-current assets	43,485	37,028	32,621	32,621
Current assets				
Inventories	57,410	33,723	-	-
Amount due from subsidiaries	-	-	22,940	19,236
Trade and other receivables	52,715	32,858	357	34
Derivative financial assets	327	114	-	-
Cash and bank balances	43,896	9,292	12,171	28
Total current assets	154,348	75,987	35,468	19,298
Total assets	197,833	113,015	68,089	51,919
EQUITY AND LIABILITIES				
Equity				
Share capital	57,745	37,870	57,745	37,870
Reserve	(39,344)	(40,792)	-	180
Retained earnings	108,619	55,143	5,846	12,039
Equity attributable to the owners of the Company	127,020	52,221	63,591	50,089
Non-controlling interests	8,473	2,051	-	-
Total equity	135,493	54,272	63,591	50,089
Non-current liabilities				
Deferred tax liabilities	366	3,142	-	-
Lease liabilities	319	191		-
Bank borrowings	6.863	4,595	-	-
Total non-current liabilities	7.548	7,928	-	-
Current liabilities				
Bank borrowings	4.486	30,520	-	-
Trade and other payables	25.456	18,469	4,498	120
Amount due to subsidiaries	-	-	-	1,710
Lease liabilities	377	345	-	-
Income tax liabilities	24.473	1,481	-	-
Total current liabilities	54,792	50,815	4,498	1,830
Total liabilities	62,340	58,743	4,498	1,830
Total equity and liabilities	197,833	113,015	68,089	51,919

1(b)(ii) GROUP'S BORROWINGS AND DEBT SECURITIES

	31-Dec-20		30-Jun-20	
	Secured S$'000	**Unsecured S$'000**	**Secured S$'000**	**Unsecured S$'000**
Amount repayable in one year or less, or on demand	4,486	-	30,520	-
Amount repayable after one year	6,863	-	4,595	-
Total borrowings	11,349	-	35,115	-

Details of collaterals

As at 31 December 2020 and 30 June 2020, the Group's borrowings were secured by:

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

1(c) CONSOLIDATED STATEMENT OF CASH FLOWS

	Group Six months ended	
	31-Dec-20 1H FY21 S$'000	31-Dec-19 1H FY20 S$'000
Operating activities		
Profit before income tax	82,049	846
Adjustments for:		
Amortisation of intangible assets	9	10
Property, plant and equipment written off	137	174
Gain on disposal of property, plant and equipment	(7)	(5)
Depreciation expense	1,153	1,008
Loss allowance on trade receivables	5	6
Interest expense	377	1,008
Interest income	(74)	(90)
Share of profits from associates	(1,800)	(255)
Fair value loss on financial derivatives	(814)	(475)
Unrealised exchange differences	2,276	(50)
Operating cash flows before movements in working capital	83,311	2,177
Movements in working capital		
Inventories	(23,687)	(7,523)
Trade and other receivables	(19,861)	41
Trade and other payables	6,987	3,724
Cash used in operations	46,750	(1,581)
Interest paid	(354)	(1,008)
Income taxes (paid)/refund	(482)	859
Net cash from/(used in) operating activities	45,914	(1,730)
Investing activities		
Acquisition of property, plant and equipment	(6,690)	(2,182)
Dividend received	682	-
(Increase)/Decrease in fixed deposits pledged to bank	(18)	(16)
Interest received	74	90
Net cash used in investing activities	(5,952)	(2,108)
Financing activities		
Drawdown of borrowings	3,949	44,052
Repayment of borrowings	(27,715)	(41,089)
Repayment of lease liabilities	159	-
Share placement exercise	18,437	-
Exercise of share options	235	-
Dividend paid	(441)	(104)
Net cash (used in)/from financing activities	(5,376)	2,859
Net increase/(decrease) in cash and cash equivalents	34,586	(979)
Cash and cash equivalents at beginning of financial period	8,660	4,256
Cash and cash equivalents at end of financial period	43,246	3,277
Cash and cash equivalents comprised the following:		
Cash and bank balances	43,896	3,909
Less: Fixed deposits pledged to bank	(650)	(632)
	43,246	3,277

1(d)(i) STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company							
	Share capital S$'000	Currency translation reserves S$'000	Merger reserve S$'000	Share-based payment reserve S$'000	Retained earnings S$'000	Total S$'000	Non-controlling interests S$'000	Total equity S$'000
Balance as at 1 July 2020	37,870	(15,032)	(25,940)	180	55,143	52,221	2,051	54,272
Profit for the year	-	-	-	-	54,939	54,939	6,189	61,128
Other comprehensive (loss)/income								
Exchange differences on translating foreign operations	-	1,628	-	-	-	1,628	233	1,861
Total comprehensive (loss)/income for the year	-	1,628	-	-	54,939	56,567	6,422	62,989
Issuance of shares, pursuant to placement agreement	18,437	-	-	-	-	18,437	-	18,437
Issuance of shares, pursuant to exercise of share options	415	-	-	(161)	-	254	-	254
Share options forfeited	-	-	-	(19)	-	(19)	-	(19)
Issuance of shares, pursuant to scrip dividend	1,023	-	-	-	-	1,023	-	1,023
Dividend	-	-	-	-	(1,463)	(1,463)	-	(1,463)
Balance as at 31 December 2020	57,745	(13,404)	(25,940)	-	108,619	127,020	8,473	135,493
Balance as at 1 July 2019	37,473	(11,617)	(25,940)	170	42,242	42,328	1,036	43,364
Profit for the year	-	-	-	-	846	846	(540)	306
Other comprehensive (loss)/income								
Exchange differences on translating foreign operations	-	(610)	-	-	-	(610)	(53)	(663)
Total comprehensive (loss)/income for the year	-	(610)	-	-	846	236	(593)	(357)
Share option	-	-	-	10	-	10	-	10
Issuance of shares, pursuant to scrip dividend	397	-	-	-	-	397	-	397
Dividend	-	-	-	-	(501)	(501)	-	(501)
Balance as at 31 December 2019	37,870	(12,227)	(25,940)	180	42,587	42,470	443	42,913

1(d)(i) STATEMENT OF CHANGES IN EQUITY (continued)

	Company			
	Share Capital S$'000	Share-based payment reserve S$'000	Retained earnings S$'000	Total S$'000
Balance as at 1 July 2020	37,870	180	12,039	50,089
Loss for the year, representing total comprehensive loss for the year	-	-	(4,730)	(4,730)
Issuance of shares, pursuant to placement agreement	18,437	-	-	18,437
Issuance of shares, pursuant to exercise of share options	415	(161)	-	254
Share option forfeited	-	(19)	-	(19)
Issuance of shares, pursuant to scrip dividend	1,023	-		1,023
Dividend	-	-	(1,463)	(1,463)
Balance as at 31 December 2020	57,745	-	5,846	63,591
Balance as at 1 July 2019	37,473	170	12,747	50,390
Loss for the year, representing total comprehensive loss for the year	-	-	(63)	(63)
Share option	-	10	-	10
Issuance of shares, pursuant to scrip dividend	397			397
Dividend	-	-	(501)	(501)
Balance as at 31 December 2019	37,870	180	12,183	50,233

1(d)(ii) SHARE CAPITAL

	Company	
	Number of ordinary shares	Issued and paid up share capital S$
Issued and paid up share capital as at 30 June 2020	196,092,856	37,869,789
Issuance of shares, pursuant to the placement agreement on 27 August 2020	7,500,000	18,436,875
Issuance of shares, pursuant to the exercise of share options on 28 August 2020	1,400,000	415,240
Share split of every 1 existing ordinary share into 3 ordinary shares on 2 October 2020	409,985,712	-
Issuance of shares, pursuant to the UG Healthcare Scrip Dividend Scheme on 21 December 2020	1,280,184	1,022,867
Issued and paid-up share capital as at 31 December 2020	616,258,752	57,744,771

The Company had no outstanding convertibles, treasury shares and subsidiary holdings as at 31 December 2020.

Other than 1,570,000 share options granted to eligible employees on 28 August 2015 under the Unigloves Employee Share Option Scheme of which 1,400,000 had been exercised on 28 August 2020, the Company had no outstanding convertibles, treasury shares and subsidiary holdings as at 31 December 2019.

1(d)(iii) TOTAL NUMBER OF ISSUED SHARES EXCLUDING TREASURY SHARES

	Company	
	31-Dec-20	30-Jun-20
Total number of issued shares excluding treasury shares	616,258,752	196,092,856

As at 31 December 2020 and 30 June 2020, the Company did not have treasury shares.

1(d)(iv) TREASURY SHARES

There were no sales, transfers, cancellation and / or use of treasury shares during and as at the end of the current financial period reported on. As at 31 December 2020, the Company did not hold any of its issued shares as treasury shares.

1(d)(v) SUBSIDIARY HOLDINGS

There were no sales, transfers, cancellation and / or use of subsidiary holdings as at the end of the current financial period reported on. As at 31 December 2020, the Company did not have any subsidiary holdings.

2 REVIEW OR AUDIT OF FIGURES PRESENTED

The figures presented have not been reviewed or audited by the Company's auditors.

3. AUDITORS' REPORT

Not applicable.

3A. LATEST FINANCIAL STATEMENTS SUBJECT TO AN ADVERSE OPINION, QUALIFIED OPINION OR DISCLAIMER OF OPINION

Not applicable as the Group's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion. as the Group's latest financial statements are not subject to an adverse opinion, qualified opinion or disclaimer of opinion.

4. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

Save as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the preparation of the financial statements for the current financial period as compared to its audited financial statements for the financial year ended 30 June 2020.

5. EFFECT OF CHANGES IN ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The Group and the Company have applied the same accounting policies and methods of computation in the preparation of the financial statement for the current financial period as compared to the audited financial statements as at 30 June 2020, except for the adoption of the following Singapore Financial Reporting Standards (International) ("**SFRS(I)s**"):

- *Amendments to References to Conceptual Framework in SFRS(I) Standards*
- *Definition of a Business (Amendments to SFRS(I) 3)*
- *Definition of Material (Amendments to SFRS(I) 1-1 and SFRS(I) 1-8)*

- *Interest Rate Benchmark Reform (Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7)*
- *Covid-19-Related Rent Concessions (Amendment to SFRS(I) 16)*

The adoption of the above standards will not have a material effect on the Group's financial statements for 1H FY21.

6. EARNINGS PER SHARE

	Group Six months ended	
	31-Dec-20 1H FY21	**31-Dec-19 1H FY20**
Profit attributable to owners of the Company (S$'000)	54,939	846
Number of shares		
Weighted average number of ordinary shares for the purpose of		
Basic share	606,761,079	588,278,568*
Effect of dilution from share options	-	(1,399,542)*
Diluted share	606,761,079	586,879,026*
Earnings per share (cents)		
Basic	9.05	0.14
Diluted	9.05	0.14

***** After share split of every 1 existing ordinary share into 3 ordinary shares, where the following adjustments were made:
- Basic share: 196,092,856 x 3 = 588,278,568
- Effect of dilution from share options: (466,514) x 3 = (1,399,542)
- Diluted share: 195,626,342 x 3 = 586,879,026

7. NET ASSETS VALUE ("NAV") PER SHARE

	Group		Company	
	31-Dec-20	**30-Jun-20**	**31-Dec-20**	**30-Jun-20**
NAV per share (cents)	20.61	8.88	10.32	8.51
Total NAV (attributable to owners of the Company) (S$'000)	127,020	52,221	63,591	50,089
Number of ordinary shares used in computation of NAV per share	616,258,752	588,278,568*	616,258,752	588,278,568*

***** After share split of every 1 existing ordinary share into 3 ordinary shares
- 196,092,856 x 3 = 588,278,568

8. REVIEW OF GROUP PERFORMANCE

(A) REVIEW OF GROUP RESULTS

Revenue
Revenue increased by approximately S$106.2 million or 200%, from S$53.2 million in the financial period ended 31 December 2019 ("**1H FY20**") to S$159.4 million in the financial period ended 31 December 2020 ("**1H FY21")**. This was mainly due to the increase in the volume of gloves produced and sold driven by the significant increase in demand of gloves due to the outbreak of COVID-19, as well as the increased selling prices of gloves sold, as demand outstripped supply.

	Group		
	1H FY21	1H FY20	Increase/ (decrease)
	S$'000	S$'000	%
Europe	69,516	20,714	>100
North America	10,598	8,780	20.7
South America	42,255	14,220	>100
Africa	7,218	2,536	>100
Asia	23,305	4,184	>100
Others	6,525	2,744	>100
Total	**159,417**	**53,178**	**>100**

Cost of Sales
In tandem with the increase in revenue, cost of sales increased by S$16.8 million or 38.6% from S$43.4 million in 1H FY20 to S$60.2 million in 1H FY21.

Gross Profit and Gross Profit Margin
Gross profit increased by approximately S$89.4 million from S$9.8 million in 1H FY20 to S$99.2 million in 1H FY21 mainly due to increase in gloves selling price from the significant increase in demand due to COVID-19 outbreak, as well as increase in production efficiency resulting from an increase in manufacturing capacity.

The Group's gross profit margin increased from 18.4% in 1H FY20 to 62.2% in 1H FY21 due to the same reasons described above.

Other income
Other income remained fairly stable at approximately S$0.2 million in 1H FY21 and S$0.1 million in 1H FY20.

Marketing and Distribution Expenses
Marketing and distribution expenses increased by S$2.0 million or 130% from S$1.6 million in 1H FY20 to S$3.6 million in 1H FY21 due to the increase in distribution and logistics cost from the higher volume of sales at the Group's overseas distribution subsidiaries, as well as increased marketing costs to further enhance brand awareness, as the Group continues to invest heavily in building our own marketing infrastructure.

Administrative Expenses
Administrative expenses increased by approximately S$7.1 million or 111% from S$6.4 million in 1H FY20 to S$13.5 million in 1H FY21 mainly due to administrative expenses incurred for expansion of the distribution networks in Brazil, UK, China and Nigeria, along with the increase in staff costs. Furthermore, the Group has incurred additional costs in implementing strict SOPs for the prevention of COVID-19 infection in the workplace, including but not limited to increased purchase of additional PPEs, constant disinfection of workplaces and costs relating to regular testing of employees.

Other Expenses
Other expenses increased by approximately S$1.3 million from S$0.4 million in 1H FY20 to S$1.7 million in 1H FY21 mainly due to the loss from foreign exchange amounting to S$1.5 million. Brazilian Real being the functional currency of subsidiary in Brazil has been very volatile against US dollar, as well as the volatility of the Renminbi and British Pound against US dollar, where the Renminbi and British Pound being the functional currency of subsidiaries in China and UK.

Finance Costs
Finance costs decreased by S$0.6 million or 62.6% from S$1.0 million in 1H FY20 to S$0.4 million in 1H FY21 due to the decrease of utilisation of trade facilities, and dropped in the interest rate charged on borrowings.

Share of Profits from Associates
Share of profits from its German and USA associates increased by S$1.5 mil to S$1.8 million in 1H FY21, as compared with S$0.3 million in 1H FY20.

(B) REVIEW OF GROUP'S FINANCIAL POSITION

As at 31 December 2020

Non-current Assets
Non-current assets increased by approximately S$6.5 million from S$37.0 million as at 30 June 2020 to S$43.5 million as at 31 December 2020, mainly due to increase in acquisition of property, plant and equipment of S$5.6 million and increase in associates of S$1.0 million as a result of profit recorded by the German and US associates, partially offset by decrease in deferred tax assets of approximately S$0.2 million.

Current Assets
Current assets increased by approximately S$78.4 million from S$76.0 million as at 30 June 2020 to S$154.3 million as at 31 December 2020, mainly due to:

(a) Increase in cash and bank balances of S$34.6 million from S$9.3 million as at 30 June 2020 to S$43.9 million as at 31 December 2020 due to higher profit and operating cash flow and fund raising from share placement;

(b) Increase in inventories of S$23.7 million or 70.2% from S$33.7 million as at 30 June 2020 to S$57.4 million as at 31 December 2020 as the Group stock up its products at its own overseas distribution companies; and

(c) Increase in trade and other receivables by S$19.8 million or 60.4% from S$32.9 million as at 30 June 2020 to S$52.7 million as at 31 December 2020 resulting from higher sales to customers.

Equity
Equity comprises share capital, merger reserve, retained earnings, share-based payment reserve, foreign currency translation reserves and non-controlling interests. The total equity of the Group increased by approximately S$81.2 million from S$54.3 million as at 30 June 2020 to S$135.5 million as at 31 December 2020.

Non-current Liabilities
Non-current liabilities decreased by approximately S$0.4 million or 4.8% from S$7.9 million as at 30 June 2020 to S$7.5 million as at 31 December 2020 mainly due to the decrease in deferred tax liabilities of S$2.8 million, partially offset by increase in long-term bank borrowings of S$2.3 million.

Current Liabilities
Current liabilities increased by S$4.0 million or 7.8% from S$50.8 million as at 30 June 2020 to S$54.8 million as at 31 December 2020, mainly due to:

(a) Increase of S$23.0 million in income tax liabilities from S$1.5 million as at 30 June 2020 to S$24.5 million as at 31 December 2020 mainly due to increases in tax expenses resulting from the increase in profit before tax; and

(b) Increase in trade and other payables by S$7.0 million or 37.8% from S$18.5 million as at 30 June 2020 to S$25.5 million as at 31 December 2020 mainly due to increase in purchases of raw materials for the increase in volume of glove sold, as well as increase in the owing to the vendors for the construction of new production lines; partially offset by

(c) Decrease of S$26.0 million in bank borrowings from S$30.5 million as at 30 June 2020 to S$4.5 million as at 31 December 2020 due to the repayment of trade facilities and term loans.

(C) REVIEW OF GROUP'S CASH FLOWS

In 1H FY21, the net cash from operations amounted to S$45.9 million taking into account the profit before tax of S$82.0 million, adjusted for working capital outflows of S$36.6 million. The net working capital outflows was mainly due to increase in inventories of S$23.7 million and increase in trade and other receivables of S$19.9 million, which was partially offset by increase in trade and other payables of S$7.0 million. The Group paid income tax expenses and interest of S$0.5 million and S$0.4 million respectively.

Net cash used in investing activities amounted to S$6.0 million in 1H FY21. This was due to the purchases of property, plant and equipment, which mainly for the construction of new production lines.

Net cash used in financing activities amounted to S$5.4 million in 1H FY21. This was mainly due to a net repayment of borrowings from trade facilities amounting to S$23.8 million, partially offset by the fund raising from share place exercise of S$18.4 million.

9. ACTUAL RESULTS VS PROFIT FORECAST

No forecast or prospect statement has been previously disclosed to shareholders.

10. COMMENTARY OF THE INDUSTRY TREND AND GROUP'S PROSPECT

The global gloves demand remains intense as COVID-19 infections worsened drastically, with many countries suffering second and third wave of infections. Across the markets in which the Group operates, demand continues to outstrip supply. This situation is expected to persist in this new calendar year.

The additional capacity of 500 million pieces of gloves per annum is on track to come on stream by March / April 2021. The Group's new factory, which will increase an additional capacity of 1.2 billion pieces of gloves per annum, is currently under construction and is expected to start commissioning in the third quarter of this calendar year (July – September 2021). Both these expansions will increase the Group's total manufacturing capacity to 4.6 billion pieces of gloves per annum.

The Group is currently studying the possibility of further capacity expansion beyond 4.6 billion pieces of gloves per annum and will update shareholders in due course.

On the overseas market distribution companies, the Group will continue to invest heavily in building and expanding its distribution network, local infrastructure and logistics, as well as marketing to further entrench and enhance brand awareness of its own "Unigloves" brand.

11. DETAILS OF DIVIDEND DECLARED OR RECOMMENDED

Proposed dividend

	31-Dec-20	**31-Dec-19**
Name of dividend	Special dividend	N.A.
Type of dividend	Cash	N.A.
Dividend rate	S$0.00105 per ordinary share	N.A.
Tax rate	Tax exempted	N.A.
Record date	To be announced later	N.A.
Payment date	To be announced later	N.A.

N.A. – not applicable

12. NEGATIVE STATEMENT IF NO DIVIDEND DECLARED OR RECOMMENDED

The Board has declared a special dividend of 0.105 Singapore cents per share for 1H FY21 reflecting the improved performance of the Group during this financial period.

13. GENERAL MANDATE FOR INTERESTED PERSON TRANSACTION ("IPT")

The Company has not obtained any IPT mandate from the shareholders.

14. RULE 720(1) OF THE CATALIST LISTING RULES

The Company hereby confirms that it has procured undertakings from all its Directors and Executive Officers in accordance with Rule 720(1) of the Catalist Listing Rules.

15. RULE 705(5) OF THE CATALIST LISTING 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 2020 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

4 February 2021