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

DISPOSAL OF INTEREST IN ASSOCIATE COMPANY

1. INTRODUCTION

The board of directors (the "**Board**") of UG Healthcare Corporation Limited (the "**Company**" and together with its subsidiaries, the "**Group**") wishes to announce that the Group's wholly-owned subsidiary, Unigloves Shanghai Co. Ltd (formerly known as Shanghai Full-10 International Trading Co. Ltd) had on 27 May 2021 disposed its entire 50% equity interest in Beijing You Li Fu Ming Commercial Trading Co., Ltd (the "**Associate Company**") for nil consideration (the "**Disposal**"). The purchaser of the Group's 50% equity interest in the Associate Company is a third party, unrelated to the Group, its directors, controlling shareholders and their associates.

Following the Disposal, the Group has ceased to have any interest in the Associate Company and the Associate Company has ceased to be an associate of the Group.

2. BACKGROUND AND THE RATIONALE FOR THE DISPOSAL

The Associate Company was incorporated in China on 5 June 2014 pursuant to a joint venture arrangement for the purpose of distributing gloves and other medical disposables. The remaining shareholder of the Associate Company is unrelated to the Group's directors, controlling shareholders and their associates. The Associate Company has remained nearly dormant since its incorporation.

The Group has thus been marketing and selling its "Unigloves" brand of disposal glove products in the northern Chinese market through its own subsidiaries in China over the last few years.

Prior to the Disposal, the Group held 50% shareholding interest in the Associate Company, and did not participate in active management nor strategic decisions of the Associate Company.

The Disposal will allow the Group to have more flexibility and autonomy in managing its

proprietary "Unigloves" brand and its own distribution network in the northern China region.

3. CONSIDERATION FOR THE DISPOSAL

The consideration for the Disposal was arrived at on a willing buyer and willing seller basis, taking into account, amongst others, (a) the dormant state of the Associate Company; and (b) the Group's initial investment costs of RMB 250,000 (approximately S$50,000, based on an exchange rate of RMB 1 : S$0.20) which is immaterial to the Group.

4. RELATIVE FIGURES FOR THE DISPOSAL

None of the relative figures for the Disposal computed on the applicable bases under Rule 1006 of the Catalist Rules exceeds 5%. The Disposal is therefore a "Non-discloseable Transaction" for the purposes of the Catalist Rules.

The Disposal is not expected to have a material impact on the Group's consolidated net tangible assets or earnings per share for the financial year ending 30 June 2021.

5. INTEREST OF THE DIRECTORS AND THE CONTROLLING SHAREHOLDERS

Save as disclosed above, none of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Disposal.

By Order of the Board
UG Healthcare Corporation Limited

Lee Keck Keong
Executive Director and CEO

2 June 2021

---

*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.