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

UG HEALTHCARE CORPORATION STRENGTHENS UNITED STATES DOWNSTREAM DISTRIBUTION BUSINESS WITH THE INCREASE IN EQUITY INTEREST IN UG USA

1. INTRODUCTION

The Board of Directors (the "**Board**" or the "**Directors**") of UG Healthcare Corporation Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that Unigloves (Singapore) Pte. Ltd., a wholly-owned subsidiary of the Company ("**Unigloves Singapore**"), has on 22 January 2025, entered into a share purchase agreement (the "**SPA**") with Mr. Patrick Stanton (the "**Seller**") for the acquisition of 25,000 issued and paid-up ordinary shares ("**Sale Shares**") in the share capital of UG Healthcare (USA), Inc. ("**UG USA**"), representing 25.0% of the share capital of UG USA at an aggregate consideration of US$500,000, equivalent to approximately S$679,100 based on an exchange rate of US$ 1 : S$1.3582 (the "**Purchase Consideration**") (the "**Acquisition**").

Upon completion of the Acquisition, the Company's shareholdings in UG USA (held through Unigloves Singapore) will increase from 50.0% to 75.0% and UG USA will become an indirect 75%-owned subsidiary of the Company.

2. INFORMATION RELATING TO UG USA, THE SELLER AND THE RATIONALE OF THE ACQUISITION

2.1. Information on UG USA

UG USA has remained one of the Group's important downstream distribution networks in the United States ("**US**") since the Company's IPO in 2014. UG USA is principally engaged in cultivating demand and distributing **UNI**GLOVES® brand of products including disposable examination gloves to customers in the US market.

2.2. The Purchase Consideration

The Purchase Consideration will be fully satisfied in cash and was negotiated on an arm's length basis between the Company and the Seller, having taken into account, *inter alia*, (i) the net tangible asset value attributable to the Sale Shares of approximately US$211,000 (approximately S$286,580); and (ii) the operational and management control that the Company will have over UG USA post completion of the Acquisition.

2.3. The Sale Shares

As at the date of this announcement, UG USA has an issued and paid-up share capital of US$100,000 nominal value (approximately S$135,820) comprising 100,000 ordinary shares, which are distributed as follows:

Shareholders	Before Acquisition		After Acquisition	
	No. of shares	Shareholding	No. of shares	Shareholding
Unigloves Singapore	50,000	50.0%	75,000	75.0%
Seller	50,000	50.0%	25,000	25.0%
Total	**100,000**	**100.0%**	**100,000**	**100.0%**

Prior to the Acquisition, the Group does not exercise significant influence in UG USA's operations and management (including policies and decision making) and hence, UG USA was treated as an associated company for equity accounting purposes.

Based on the management accounts of UG USA as at 31 December 2024, UG USA reported net assets of US$843,000 (approximately S$1,144,963) as at 31 December 2024 and a net loss before tax of approximately US$112,000 (approximately S$152,118) for the financial year ended 31 December 2024.

2.4. Information on the Seller

Mr. Patrick Stanton is one of the current managing directors of UG USA.

Save as disclosed in this paragraph 2.4, there are no other connections (including business relationships) between the Seller and the Directors, the substantial shareholders of the Company or their respective associates.

2.5. Rationale for the Acquisition

The Acquisition allows the Group to consolidate its control and increase its participation in marketing and distribution operations of UG USA in the US, thereby enhancing the efficiency of its downstream distribution business.

2.6. Completion of the Acquisition

As of the date of this announcement, all closing conditions under the SPA have been fulfilled and the Acquisition is completed.

3. FINANCIAL IMPACT

The Purchase Consideration will be funded through internal resources and is not expected to have any material impact on the earnings per share or the net tangible assets per share of the Group for the current financial year ending 30 June 2025.

4. RELATIVES FIGURES UNDER CATALIST RULE 1006

The Company has computed the relative figures based on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist (the "**Catalist Rules**") using the latest announced audited consolidated financial statements of the Group for the full year ended 30 June 2024.

As none of the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules exceeds 5%, the Acquisition constitutes a non-disclosable transaction under Chapter 10 of the Catalist Rules. Further, as the relative figure computed on the basis of Rule 1006(b) involves negative figures, Rule 1007(1) read with Practice Note 10A of the Catalist Rules shall apply. As (i) the absolute relative figure computed on the basis of each of Rule 1006(c) and 1006(d) of the Catalist Rules (where applicable) amounts to less than 5%; and (ii) the net loss of UG USA amounts to less than 5% of the consolidated net loss of the Group (taking into account only the absolute values), the Acquisition falls within paragraph 4.3(a) of Practice Note 10A of the Catalist Rules and no announcement and shareholders' approval of the transaction is required. However, the Company is making this announcement pursuant to Rule 706A of the Catalist Rules.

5. INTERESTS OF THE DIRECTORS, CONTROLLING SHAREHOLDERS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors and their respective associates, and to the best of knowledge of the Directors, none of the substantial shareholders of the Company and their respective associates has any interest, direct or indirect, in the Acquisition contemplated therein, other than through their respective directorships and/or shareholding interests, if any, in the Company.

6. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Acquisition, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

7. DOCUMENTS FOR INSPECTION

The SPA is available for inspection during normal business hours at the registered office of the Company at 38 Beach Road, #29-11 South Beach Tower, Singapore 189767 for a period of 3 months from the date of this announcement.

8. CAUTIONARY STATEMENT

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. Shareholders and potential investors of the Company are advised to refrain from taking any action in respect of securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. Completion of the Acquisition is subject to, amongst others, the fulfilment of the conditions in the SPA and, as at the date of this announcement, there is no certainty or assurance that the Acquisition will proceed to completion. In the event of any doubt, shareholders and potential investors of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

By Order of the Board of
UG Healthcare Corporation Limited

Lee Keck Keong
Executive Director and CEO

23 January 2025

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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 (the "**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, #21-01 AIA Tower, Singapore 048542