



Strengthening Resilience
Through Diversification

Annual Report 2026

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This Annual Report has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "Sponsor").

This Annual Report 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 Annual Report, including the correctness of any of the statements or opinions made or reports contained in this Annual Report.

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Company Profile



UG HEALTHCARE CORPORATION LIMITED 优格医疗集团 (“UG HEALTHCARE” OR THE “COMPANY” AND TOGETHER WITH ITS SUBSIDIARIES, THE “GROUP”) IS AN OWN BRAND MANUFACTURER THAT SPECIALISES IN THE MARKETING AND SALE OF PROPRIETARY UNIGLOVES® BRANDED HAND PROTECTION SOLUTIONS, AS WELL AS NON-GLOVE HYGIENE AND HEALTHCARE ANCILLARY PRODUCTS, THROUGH ITS ESTABLISHED GLOBAL DOWNSTREAM DISTRIBUTION NETWORK.

The Group owns and operates an extensive downstream network of distribution companies with a local presence in Europe, the United Kingdom, the USA, China, Africa, North America, and South America, where it primarily markets and sells its proprietary UNIGLOVES® portfolio of hand protection solutions and non-glove hygiene and healthcare ancillary products. These disposable and reusable hand protection products are used across a diverse range of industries that require safety and cross-infection protection and high hygiene standards, as well as catering to different applications and preferences. Along with its range of non-glove hygiene

and healthcare ancillary products, the Group aims to address infection control, hygiene and care, dental care, and wound care across diverse industries.

The downstream distribution division is 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 upstream manufacturing facilities located in Malaysia. The Group's upstream manufacturing is certified by the British Standards Institution for ISO 9001:2015, ISO 13485:2016 and EN ISO 13485:2016 for the scope of

manufacture and supply of natural latex and nitrile latex examination gloves. The Group's proprietary brand of products conforms to various international standards and requirements.

The Group has a strategic investment in the joint development, management, and operation of active retirement homes in Malaysia.

UG Healthcare has been listed on the Singapore Exchange Securities Trading Limited under stock code **8K7** since 8 December 2014.

Letter to Shareholders

“DESPITE THE CONSIDERABLE TIME AND EFFORT INVESTED IN ESTABLISHING AND REFINING OUR GROUP’S INTEGRATED OWN BRAND MANUFACTURING (OBM) SUPPLY CHAIN BUSINESS, THIS APPROACH ENHANCES OUR RESILIENCE AGAINST INDUSTRY CHALLENGES, AS WELL AS MACROECONOMIC AND GEOPOLITICAL UNCERTAINTIES.”

DEAR FELLOW SHAREHOLDERS,

The global personal protective equipment (“PPE”) industry, which includes both disposable gloves and non-glove hygiene and healthcare consumables, is still undergoing adjustments and consolidations in the aftermath of the COVID pandemic, amid the ongoing geopolitical and tariff uncertainties. As companies endeavour to navigate these challenges, the unexpected conflict in the Middle East that erupted in late February 2026 has disrupted supply chains and heightened inflationary pressures on business operations.

In recent years, we took initiatives to deepen and broaden our global downstream distribution network, focusing on raising our market presence, as well as strengthening our proprietary UNIGLOVES® international brand in our key markets. Our well-established and extensive global distribution network, spanning both developed and developing countries, offers valuable market intelligence. This gives us the flexibility to collaborate with cost-effective manufacturers under our proprietary international UNIGLOVES® brand while maintaining the production of premium quality disposable examination gloves at our

upstream manufacturing facilities. This strategy allows us to broaden our product portfolio with a comparative advantage as well as market diversification.

Despite the considerable time and effort invested in establishing and refining our Group’s integrated own brand manufacturing (“OBM”) supply chain business, it is evident that this approach enhances our resilience against industry challenges, as well as macroeconomic and geopolitical uncertainties. We continue to witness positive outcomes, particularly in strengthening customer confidence in the quality and traceability of our UNIGLOVES® branded products.

During FY26, we prioritised prudent cost management and optimised our operational efficiency across both upstream manufacturing and downstream distribution operations. Coupled with favourable market dynamics, the Group achieved a 4.7% year-on-year growth in revenue, increasing from S\$144.1 million in FY25 to S\$150.8 million in FY26. Notably, our EBITDA¹ improved from S\$2.2 million in FY25 to S\$12.4 million in FY26. After accounting for operating expenses and income tax, we returned to profitability with S\$2.1 million in net profit attributable to shareholders in FY26, a reversal from a net loss of S\$4.1 million in FY25.

Our Group’s balance sheet remains robust, with net asset value increasing by 5.5% year-on-year, from S\$162.8 million as at 30 June 2025 to S\$171.8 million as at 30 June 2026. Correspondingly, the net asset value per share increased from S\$0.2609 as at 30 June 2025 to S\$0.2753 as at 30 June 2026 based on the share capital of approximately 623.8 million shares.

STRENGTHENING RESILIENCE THROUGH DIVERSIFICATION

Looking ahead, we are committed to enhancing operational efficiency to maintain our growth momentum by capitalising on the rising global demand for hand protection solutions, as well as hygiene and healthcare consumable products in both the industrial and healthcare sectors.

Fortune Business Insights estimates that the global disposable gloves market size was approximately US\$23.16 billion in 2025 and is expected to increase from US\$27.07 billion in 2026 to US\$57.11 billion by 2034, with a compound annual growth rate (“CAGR”) of 9.8%. It is anticipated that the demand for hand protection solutions will be driven by an ageing population and increasing healthcare needs².

1 Earnings before interest, taxes, depreciation, and amortisation (“EBITDA”) is a measure of a company’s operating profitability, by using profit/(loss) before tax and adding back interest expense, depreciation, and amortisation of intangible assets.

2 <https://www.fortunebusinessinsights.com/disposable-gloves-market-106777>

Letter to Shareholders

Meanwhile, Research and Markets anticipates that the industrial gloves market will increase from US\$12.25 billion in 2025 to US\$21.02 billion by 2030, with a CAGR of 11.41%. The industrial gloves market comprises personal protective equipment that is intended to protect the hands of workers from various hazards, including chemical exposure, heat, cuts, punctures, and contaminants. Across industrial sectors such as manufacturing, construction, automotive, healthcare, food processing, oil & gas, and chemicals, these reusable gloves are indispensable. They are made from a variety of materials, including latex, nitrile, rubber, neoprene, leather, and cloth. They support operational efficiency and employee well-being by mitigating workplace injuries, preventing cross-contamination, and ensuring compliance with safety standards, especially in Europe and Asia-Pacific³.

Our strategic joint venture, UG Nitrex, S. L. (“**UG Nitrex**”), specialises in the marketing, sale, and distribution of reusable gloves for industrial applications, safety footwear, and other PPE. UG Nitrex provides us with immediate access to all applicable licences, certifications, and trademarks for more than one hundred stockkeeping units. This, combined with the start of trial production at the Group’s third disposable glove manufacturing facility within our upstream operations, will allow us to continue diversifying our product portfolio under our proprietary **UNIGLOVES®** international brand and exclusive global downstream distribution network, strengthening our resilience.

In light of current macroeconomic and geopolitical uncertainties, we will continue to exercise caution in resource management and remain vigilant in identifying opportunities as we foster growth through our integrated OBM supply chain.

ACKNOWLEDGMENTS AND APPRECIATION

We extend our gratitude to our fellow directors for their support and invaluable guidance throughout the past financial year.

On behalf of the Board, we would also like to express our appreciation to our management team and employees for their dedicated efforts over the past year, and we look forward to enhancing the Group’s operational performance together in the years ahead.

We are encouraged by the trust and support of our customers, business partners, and bankers, who continue to grow with the Group, strengthening our resilience and adaptability to endure the evolving business landscape as we steer through these challenging times together.

Last but not least, we are grateful to our shareholders for your unwavering support and accompanying the Group through the challenging times. We aspire to unlock opportunities and sustainable growth through our integrated OBM supply chain for hand protection solutions and hygiene and healthcare consumable products, thereby delivering value for all stakeholders.

MR. WONG FOOK CHOY SUNNY

Non-Executive Chairman and Independent Director

MR. LEE JUN YIH

Joint Chief Executive Officer, Executive Director and Finance Director



Business Operations



New sales and distribution channels

OUR GROWTH OPPORTUNITIES INCLUDE:



A More Diverse Proprietary Branded Product Portfolio



Strategic Collaborations with Reliable Product Manufacturers

UG Healthcare is committed to ensuring that our integrated own brand manufacturing (“**OBM**”) supply chain consistently delivers excellence. This commitment enables us to serve a diverse customer base across various industries, which has placed their trust and loyalty in our proprietary **UNIGLOVES®** branded products. We operate a globally owned and managed distribution network, serving both developed and developing countries.

Our Group conducts our business through an integrated OBM supply chain that encompasses both upstream manufacturing and downstream distribution for our proprietary **UNIGLOVES®** international brand. This approach enables us to effectively meet the needs of end users and address the applications required by professionals. We source, manufacture, and provide premier quality hand protection solutions, along with non-glove hygiene and healthcare consumable ancillary

products, enhancing protection against cross-infection. Our portfolio of products is manufactured to stringent standards, and our OBM supply chain strategy allows us to maintain greater control over the quality and reliability of our products, improve traceability, and ensuring the safety of end users.

Our diligence in building our proprietary **UNIGLOVES®** international brand not only cultivates a strong brand preference with end users beyond our key markets but also allows us to enrich our product portfolio. Harnessing the strengths of our entrenched downstream distribution capabilities provides us with direct market access in our key markets in both developed and developing countries, as well as valuable market intelligence for us to respond swiftly to market demands and emerging trends, thereby ensuring the Group’s competitiveness in a rapidly evolving market and presenting potential growth opportunities. These opportunities include: (i) new sales and

distribution channels, (ii) a more diverse product portfolio, and (iii) strategic collaborations with reliable product manufacturers.

The Group’s primary source of revenue and earnings will continue to be our integrated OBM supply chain business, in which we market and sell proprietary **UNIGLOVES®** branded hand protection solutions, along with non-glove hygiene and healthcare consumable ancillary products, focusing on infection control, hygiene care, dental care, and wound care. Concurrently, we will continue to work on our strategic investments, which include the active retirement homes project in Malaysia and the medical diagnostic service network project in Nigeria. We believe these strategic endeavours will expand our income sources and improve our overall market presence, thereby establishing a more sustainable and resilient business in the long term.

Business Operations

TOTAL INSTALLED PRODUCTION CAPACITY

4.6 Billion

pieces of gloves per annum

OUR UPSTREAM MANUFACTURING IS CERTIFIED BY

British Standards Institution

for ISO 9001:2015, ISO
13485:2016, EN ISO
13485:2016, and in compliance
with ISO 14971:2019 and EN ISO
14971:2019

OUR UPSTREAM MANUFACTURING CAPABILITIES

The consolidation of the disposable glove manufacturing industry continues to support the normalisation of global demand and supply for disposable examination gloves. However, current international trade disputes, tariff uncertainties, and the unexpected conflict in the Middle East in late February 2026 have created additional challenges to the business environment, exacerbated by inflationary pressures on operational expenses and increased competition.

We are able to collaborate with cost-effective manufacturers to produce hand protection solutions, as well as non-glove hygiene and healthcare consumable ancillary products under our proprietary **UNIGLOVES®** international

brand as a result of our integrated OBM supply chain business strategy. This adaptability allows us to expand our product portfolio with a comparative advantage while maintaining our production capacity at our upstream manufacturing for premium-quality, higher-margin disposable examination glove products.

The improving market dynamics and positive effects from our process efficiency initiatives, including investments in automation at our upstream manufacturing division, have prompted us to commence trial production at our third manufacturing facility recently. We intend to commercialise this production progressively from the second half of the financial year ending 30 June 2027 ("**2H FY27**"). We believe that the commissioning of the third manufacturing facility reinforces our commitment to innovation, enhances our

premium-quality offerings, and enables the Group to optimise our resources as we continue to expand our proprietary **UNIGLOVES®** branded product portfolio.

We are committed to upholding high manufacturing quality standards and have attained certification from the British Standards Institution ("**BSI**") for ISO 9001:2015, ISO 13485:2016, and EN ISO 13485:2016, which relate to the production and supply of natural latex and nitrile latex disposable examination gloves. Additionally, the Group is a registered member of the Supplier Ethical Data Exchange, a not-for-profit membership organisation committed to promoting ethical and responsible business practices in global supply chains. Our upstream manufacturing facilities are subject to annual audits in accordance with the Sedex Members Ethical Trade Audit ("**SMETA**").

Business Operations

OUR DOWNSTREAM DISTRIBUTION NETWORK

We own and operate an extensive network of downstream distribution companies with a local presence in Europe, the United Kingdom, the United States (“US”), China, Africa, North America, and South America, where we specialise in the marketing and sale of our proprietary **UNIGLOVES®** branded portfolio of hand protection solutions, such as disposable examination gloves and reusable gloves, as well as non-glove hygiene and healthcare consumable ancillary products, across over 50 countries worldwide.

The continuous and prudent expansion of the Group’s downstream distribution network aims not only to increase our geographical coverage but also to foster collaboration with our local offices and

marketing teams, thereby strengthening our market presence and enhancing our market share. Our logistics capabilities, which effectively manage inventory within our warehousing and logistics infrastructure, support our downstream distribution network. Additionally, our marketing teams undergo upskilling regularly to develop customer insights and product application knowledge concerning our **UNIGLOVES®** branded product portfolio, allowing them to better align with the preferences of end users across various industries.

The Group’s 50% owned joint venture, UG Nitrex, S.L. (“**UG Nitrex**”), which specialises in the marketing, sale and distribution of reusable gloves for industrial applications, safety footwear, and other personal protective equipment (“**PPEs**”) in Spain and its neighbouring countries, including Portugal and France,

provides us with immediate access to all the relevant licences, certifications, and trademarks for over a hundred stockkeeping units (“**SKUs**”).

By partnering with UG Nitrex and our wholly-owned subsidiary, Unigloves Germany, we have broadened our geographical coverage to encompass Southern Europe and Central Eastern Europe. This strategic expansion is underpinned by the locally developed warehouse and logistics infrastructures in Germany and Spain, which, through our distribution capabilities, enables us to respond swiftly to market demands. Consequently, we can optimise our distribution networks and serve our diverse customer base across the European market more efficiently.



Business Operations

We aim to enhance our downstream global distribution network by broadening our geographical coverage and market presence, with a focus on marketing, brand development, and customer support services. Our goal is to respond swiftly to market demands and emerging trends for hand protection solutions, as well as non-glove hygiene and healthcare consumable products, among end users and professionals across diverse industries in both developed and developing countries. We believe this reciprocal strategy builds customer trust and fosters brand loyalty in our **UNIGLOVES®** branded products.

UNIGLOVES® INTERNATIONAL BRAND OF PRODUCTS

The Group's flagship product under the **UNIGLOVES®** international brand includes both natural latex and nitrile disposable examination gloves that offer an extensive range of products, comprising generic and specialised options with a variety of coatings, scents, colours, thicknesses, antimicrobial properties, and eco-friendly materials designed for niche users of hand protection solutions. These gloves are used across a wide range of industries that require high standards of hygiene and protection against cross-infection for a variety of applications and preferences.



In addition to producing premium-quality disposable examination glove products at our upstream manufacturing facilities, the Group is also actively collaborating with cost-effective manufacturers to supply both disposable and reusable glove products, as well as non-glove hygiene and healthcare consumable ancillary products. These strategic partnerships with reliable manufacturers aim to expand our product range and meet the evolving needs of our expanding global customer base.

Our proprietary **UNIGLOVES®** branded products continue to conform to various international standards and requirements. These include the ASTM International (formerly known as American Society for Testing and Materials), the European standard for medical gloves ("**EN455**"), **ISO 11193** standards (International Organization for Standardization for Single-use medical examination gloves), **ISO 10993** standards (International Organization for Standardization for biological evaluation of medical devices), CE and UKCA Type Examination Certificates of Latex and Nitrile Examination Gloves PPE 2016(425) Cat III, the Acceptance Quality Level requirements under the Food and

Drug Administration ("**USFDA**"), the National Medical Products Administration ("**NMPA**"), the Brazilian Health Regulatory Agency ("**ANVISA**"), Certificates of Approval ("**CA**") under the Department of Occupational Safety and Health ("**DSST**") of the Brazil Ministry of Labor and Employment ("**MTE**"), the National Institute of Metrology, Standardization and Industrial Quality ("**INMETRO**"), the National Agency for Food and Drug Administration and Control ("**NAFDAC**"), and the Medical Device Registration Certificate under the Malaysia Medical Device Authority ("**MDA**").

We believe that our integrated OBM supply chain approach not only enhances our flexibility and resilience in providing a diverse range of products but also ensures our competitiveness in our key markets. We prioritise delivering solutions and services that prioritise both quality and reliability to our valued customers. At present, our proprietary **UNIGLOVES®** branded portfolio of disposable and reusable gloves, along with non-glove hygiene and healthcare consumable ancillary products, focuses on four primary areas: (1) infection control, (2) hygiene care, (3) dental care, and (4) wound care.

Business Operations

OUR STRATEGIC INVESTMENTS

As our integrated OBM supply chain global business continues to serve as the primary source of revenue and income for the Group, we will maintain our commitment to nurturing the strategic investments made in non-glove healthcare businesses over the past few years, with a focus on long-term growth.

These strategic investments include: (1) the joint development, management, and operation of active retirement homes in Desaru, Johor, Malaysia, and (2) the partnership between Unigloves Nigeria and Health Focus Diagnostics GmbH to establish and operate a medical diagnostic centre in the state of Enugu in Nigeria.

Our strategic joint venture with UG Nitrex positively influences our revenue and earnings base by providing the Group with immediate access to a well-established range of reusable gloves designed for heavy industrial applications, along with safety footwear and various types of PPE. Additionally, this collaboration enables entry into established distribution channels in Spain and its neighbouring countries, including Portugal and France.

OUR BUSINESS STRATEGY

The ethos of the Group has consistently been to nurture businesses for sustainable, long-term growth.

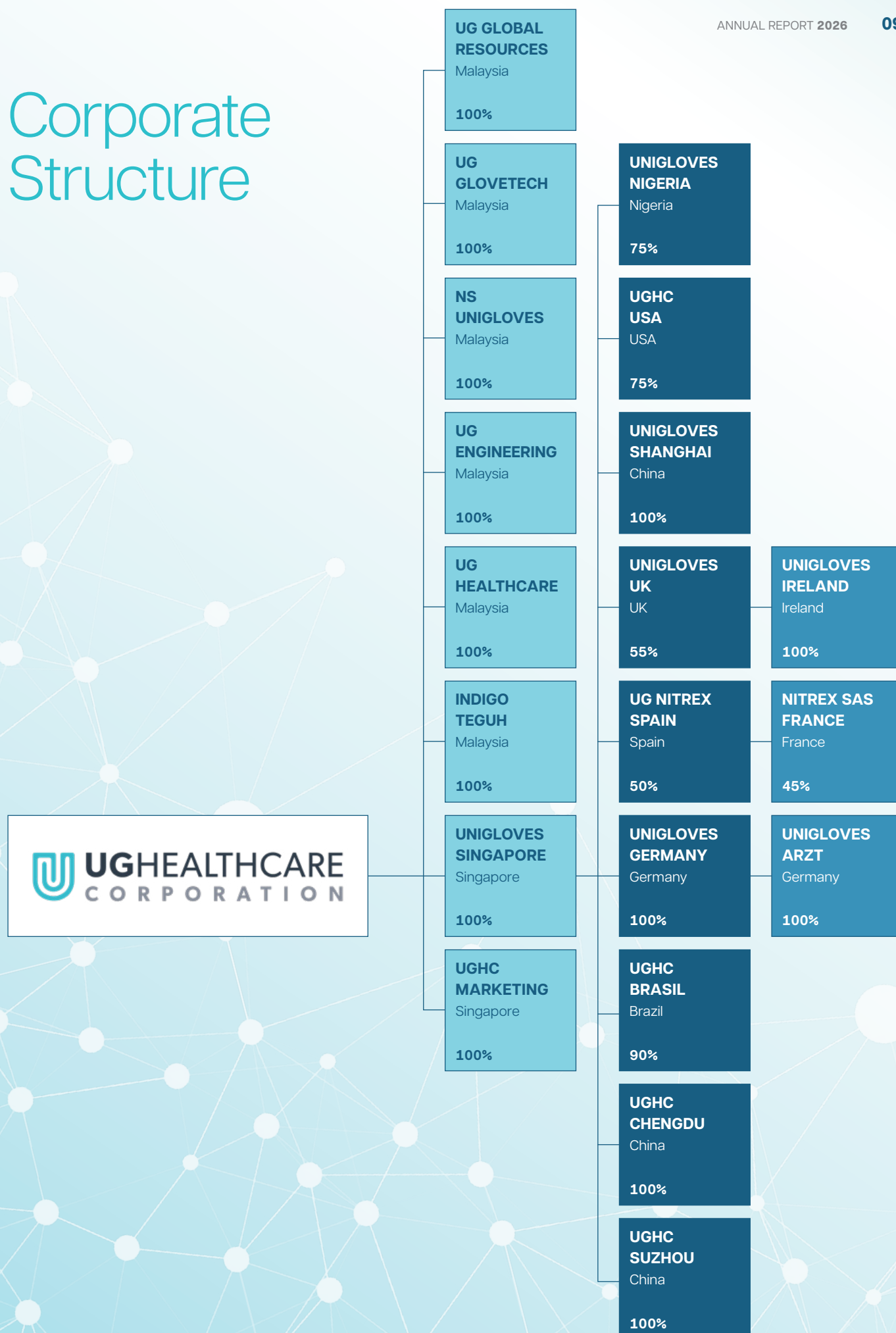
We are dedicated to delivering premier quality and reliable hand protection solutions, as well as non-glove hygiene and healthcare consumable products, to effectively support our diverse global customer base across four primary focuses: infection control, hygiene care, dental care, and wound care.

Our well-established and extensive global distribution network, spanning both developed and developing countries, offers valuable market intelligence. This enables us to gain insights into end users' preferences and applications for our hand protection solutions, as well as non-glove hygiene and healthcare consumable products. These insights, in turn, drive our upstream disposable glove manufacturing capabilities and give us the flexibility to partner with cost-effective original equipment manufacturers ("OEMs") to focus on innovation and production of "market-preferred" products under our proprietary **UNIGLOVES®** international brand.

The integrated OBM supply chain business strategy, encompassing our upstream manufacturing, downstream global distribution network, and our **UNIGLOVES®** international brand, is an essential conduit for the Group's flexibility, resilience, traceability, and sustainability. We are committed to continually enhancing our operational efficiency throughout our integrated OBM supply chain to ensure both seamlessness and effectiveness. This commitment not only strengthens our market position but also fosters long-term relationships with our partners and customers.



Corporate Structure

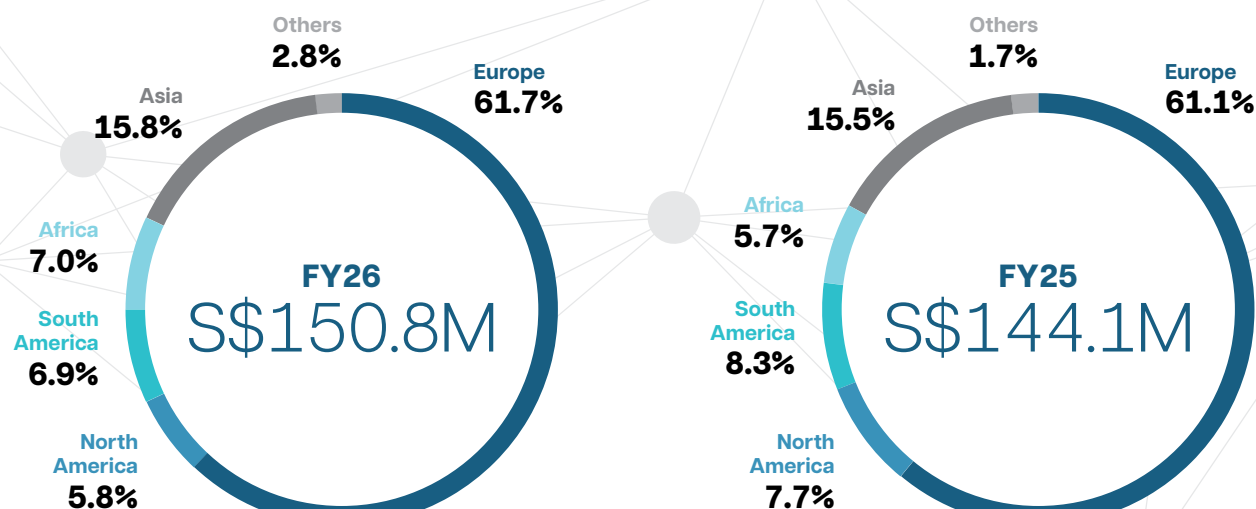


Financial Highlights

For the financial year ended 30 June	2026	2025	2024 (Restated)	2023	2022
Income Statement (S\$'000)					
Revenue	150,824	144,074	115,205	101,133	232,598
Gross profit	42,871	34,739	25,866	1,448	84,386
EBITDA ⁽¹⁾	12,401	2,170	(1,838)	(23,972)	53,472
Profit/(Loss) before tax	4,003	(3,743)	(6,992)	(28,361)	48,761
Net profit/(loss) ⁽²⁾	2,099	(4,097)	(3,959)	(20,734)	36,795
Balance Sheet (S\$'000)					
Total equity	169,768	160,334	165,598	181,190	235,063
Total assets	240,519	236,480	231,368	229,996	288,039
Net asset value ⁽³⁾	171,758	162,752	167,711	180,844	228,900
Net tangible asset value ⁽⁴⁾	149,265	139,710	144,564	180,228	228,424
Per Share (Singapore Cents)					
Basic earnings / (loss) ⁽⁵⁾	0.34	(0.66)	(0.63)	(3.32)	5.93
Net asset value ⁽⁶⁾	27.53	26.09	26.88	28.99	36.69
Net tangible asset value ⁽⁶⁾	23.93	22.40	23.17	28.89	36.62
Dividends	—	—	—	—	0.64
Financial Ratios					
Gross margin ⁽⁷⁾	28.4%	24.1%	22.5%	1.4%	36.3%
EBITDA margin ⁽⁷⁾	8.2%	1.5%	-1.6%	-23.7%	23.0%
Return on equity ⁽⁸⁾	1.3%	-2.5%	-2.3%	-10.1%	17.5%
Return on assets ⁽⁹⁾	0.9%	-1.8%	-1.7%	-8.0%	13.2%
Dividend payout ratio	0.0%	0.0%	0.0%	0.0%	10.8%
Net gearing ratio ⁽¹⁰⁾	6.9%	14.8%	8.9%	Net Cash	Net Cash

Notes:

- (1) Earnings before interest, taxes, depreciation, and amortisation ("EBITDA") is a measure of a company's operating profitability, by using profit/(loss) before tax and adding back interest expense, depreciation, and amortisation of intangible assets.
- (2) Net profit / (loss) attributable to owners of the Company.
- (3) Net asset value refers to the net asset value attributable to the owners of the Company, which is shareholders' equity.
- (4) Net tangible asset value was computed using net asset value less intangible assets and goodwill.
- (5) Basic earnings/(loss) per share was computed based on weighted average number of shares of 623.8 million for FY26, FY25, FY24 and FY23, and 620.2 million for FY22.
- (6) Net asset value per share, net tangible asset per share and dividends per share were computed based on the share capital of 623.8 million shares for FY26, FY25, FY24, FY23 and FY22.
- (7) Gross margin and EBITDA margin were computed based on gross profit and EBITDA as a percentage of revenue.
- (8) Return on equity was computed based on net profit attributable to owners of the Company as a percentage of average net asset value.
- (9) Return on assets was computed based on net profit attributable to owners of the Company as a percentage of average total assets.
- (10) Net gearing ratio was computed based on total bank borrowings and derivative financial instruments less cash as a percentage of shareholders' equity.

REVENUE ANALYSIS BY KEY MARKETS


Performance Review

REVENUE

S\$150.8 M

▲ 4.7% (FY25: S\$144.1 M)

GROSS PROFIT

S\$42.9 M

▲ 23.4% (FY25: S\$34.7 M)

In the midst of ongoing global trade disputes and tariff uncertainties, the unexpected outbreak of conflict in the Middle East in late February 2026 exacerbated the challenges in the business environment and resulted in inflationary pressures on operational costs. Companies were forced to reassess their supply chains and adapt to rapidly changing market dynamics. The repercussions of these developments prompt businesses to explore alternative sourcing strategies and diversify their markets. Consequently, innovative solutions and technological advancements will be pivotal to maintaining competitiveness in an increasingly volatile landscape.

Despite these challenges, the Group achieved profitability, reporting a net profit attributable to shareholders of S\$2.1 million in the financial year ended 30 June 2026 ("FY26"). This marked a significant turnaround from a net loss of S\$4.1 million recorded in the financial year ended 30 June 2025 ("FY25").

The set of commendable results in FY26 was primarily driven by an increase in sales volume and an improved average selling price ("ASP") for disposable examination gloves and other hygiene and healthcare consumable ancillary products. This growth was further supported by the expansion of global distribution network and the strong proprietary **UNIGLOVES®** international brand in key markets, as well as enhanced operational efficiency and prudent resource management.

Through its OBM supply chain business platform, the Group continues to strengthen its robust market presence in key regions, including Europe and Asia, in FY26. This strategic enhancement of market presence boosts operational efficiency and allows the Group to address evolving needs of its customers more effectively. The Group achieved a revenue growth of 4.7% year-on-year, increasing from S\$144.1 million in FY25 to S\$150.8 million in FY26.

REVENUE ANALYSIS BY KEY MARKETS

FYE 30 June (S\$' mil)	1H ¹ FY26	2H ¹ FY26	FY26	FY25	Variance (%)
Europe	44.92	48.13	93.05	88.05	5.7
North America	3.58	5.19	8.77	11.04	(20.5)
South America	6.32	4.06	10.38	11.96	(13.2)
Africa	6.32	4.24	10.56	8.22	28.5
Asia	11.51	12.36	23.87	22.37	6.7
Others	2.03	2.16	4.19	2.43	72.2
Group total	74.68	76.14	150.82	144.07	4.7

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.

1 1H denotes six months ended 31 December and 2H denotes six months ended 30 June.

The Group's extensive downstream global distribution network, coupled with its strong proprietary international branding, has driven growth in sales volume, while rising ASP and improved operational efficiency led to higher revenue and gross profits across all product segments.

Performance Review

REVENUE ANALYSIS BY PRODUCT SEGMENTS

FYE 30 June (S\$' mil)	Revenue			Gross Profit			Gross Margin	
	FY26	FY25	Variance	FY26	FY25	Variance	FY26	FY25
Latex examination gloves	66.67	61.27	8.8%	19.90	15.73	26.6%	29.9%	25.7%
Nitrile examination gloves	67.44	66.32	1.7%	18.73	15.69	19.4%	27.8%	23.7%
Other ancillary products	16.71	16.48	1.4%	4.24	3.32	27.5%	25.3%	20.2%
Group total	150.82	144.07	4.7%	42.87	34.74	23.4%	28.4%	24.1%

In light of geopolitical and tariff uncertainties, the Group has emphasised its flexibility in collaborating with cost-effective manufacturers to expand its product portfolio under its proprietary **UNIGLOVES®** international brand. Furthermore, it has prioritised prudent cost management and enhanced operational efficiency to control the cost of sales.

As a result, the Group's gross profit increased by 23.4% year-on-year, rising from S\$34.7 million in FY25 to S\$42.9 million in FY26. This increase aligned with the growth in sales revenue and ASP, although it was partially offset by higher depreciation expenses related to the production lines in the third manufacturing facility, which has recently commenced trial production. Consequently, the Group's composite gross margin improved from 24.1% in FY25 to 28.4% in FY26.

The Group recorded other income of S\$2.58 million in FY26, mainly due to a reversal of impairment on property, plant and equipment of S\$1.3 million, interest income of S\$0.6 million, fair value gain on derivative financial instruments of S\$ 0.4 million, and a gain on disposal of assets of S\$0.2 million. The increase in other income was partially offset by a loss allowance on trade receivables of S\$1.4 million.

Operating expenses, which encompass marketing and distribution expenses, and administrative expenses, rose by 4.8% year-on-year, increasing from S\$35.6 million in FY25 to S\$37.3 million in FY26. This increase can be attributed primarily to the growth in revenue and profit, along with an upward adjustment in groupwide staff salaries. Furthermore, the Group consolidated the operating expenses of UG USA for the entirety of FY26, in contrast to the previous corresponding period, where these expenses were only consolidated in 2H FY25. This increase was associated with the Group's acquisition of 25% of the share capital of UG USA, which officially became a subsidiary of the Group in January 2025.

Finance costs increased by 13.6% year-on-year, rising from S\$2.2 million in FY25 to S\$2.5 million in FY26. This increase is attributed to higher interest expenses resulting from the higher trade facilities utilisation during FY26.

The share of profits from the joint venture declined from S\$47,000 in FY25 to S\$29,000 in FY26, primarily due to a reduction in the profit generated by UG Nitrex, S.L.

The Group recorded a net profit attributable to shareholders of S\$2.1 million in FY26, compared to a net loss of S\$4.1 million in FY25 after accounting for tax expenses and minority interests.

FINANCIAL POSITION ANALYSIS

FYE 30 June (S\$' mil)	As at 30 June 2026	As at 30 June 2025	Variance (%)
Equity attributable to owners of the Company ("Net asset value")	171.76	162.75	5.5
Cash and bank balances	27.41	23.29	17.7
Short-term bank borrowings	20.67	24.26	(14.8)
Long-term bank borrowings	18.57	22.50	(17.5)
Gearing ratio²	22.8%	28.7%	(5.9) pp
Net asset value per share³	S\$0.2753	S\$0.2609	5.5

2 Gearing ratio was computed using total debt over equity attributable to owners of the Company.

3 Net asset value per share was computed based on the share capital of approximately 623.8 million shares as at 30 June 2026 and 30 June 2025.

Performance Review

The Group's balance sheet remained robust, with net asset value increasing by 5.5% year-on-year, from S\$162.8 million as at 30 June 2025 to S\$171.8 million as at 30 June 2026. This increase was primarily attributed to net earnings generated and a favourable movement in foreign currency translation during FY26. Consequently, the net asset value per share rose from S\$0.2609 to S\$0.2753 over the financial period.

Non-current assets rose by 5.2% year-on-year or approximately S\$5.1 million, increasing from S\$98.3 million as at 30 June 2025 to S\$103.4 million as at 30 June 2026. This increase in non-current assets was mainly attributable to a S\$3.0 million increase in property, plant and equipment, along with a S\$2.2 million increase in deferred tax assets.

Current assets decreased marginally by 0.8% year-on-year or approximately S\$1.1 million, declining from S\$138.2 million as at 30 June 2025 to S\$137.1 million as at 30 June 2026. This decline was mainly due to:

- a) a S\$5.5 million decrease in inventories from S\$64.4 million as at 30 June 2025 to S\$58.9 million as at 30 June 2026; and
- b) a S\$0.9 million decrease in income tax assets from S\$3.0 million as at 30 June 2025 to S\$2.1 million as at 30 June 2026;

and partially offset by:

- c) a S\$4.1 million increase in cash and bank balances from S\$23.3 million as at 30 June 2025 to S\$27.4 million as at 30 June 2026; and
- d) a S\$1.2 million increase in trade and other receivables from S\$47.4 million as at 30 June 2025 to S\$48.6 million as at 30 June 2026.

The Group's non-current liabilities declined by 11.6% year-on-year or approximately S\$2.9 million, decreasing from S\$25.0 million as at 30 June 2025 to S\$22.1 million as at 30 June 2026. This decline was mainly due to a S\$3.9 million decrease in long-term bank borrowings and partially offset by a S\$0.9 million increase in deferred tax liabilities.

Current liabilities declined by 4.9% year-on-year or approximately S\$2.5 million, down from S\$51.2 million as at 30 June 2025 to S\$48.7 million as at 30 June 2026. This decline was mainly due to:

- (a) a S\$3.6 million decrease in borrowings from S\$24.3 million as at 30 June 2025 to S\$20.7 million as at 30 June 2026, due to repayment of trade facilities;

and partially offset with

- (b) a S\$1.5 million increase in income tax liabilities from S\$0.1 million as at 30 June 2025 to S\$1.6 million as at 30 June 2026.

CASH FLOW ANALYSIS

The Group's net cash generated from operating activities amounted to S\$17.0 million after accounting for profit before tax of S\$4.0 million in FY26. This comprised positive operating cash flows before movements in working capital of S\$14.7 million and adjusted for net working capital inflows of S\$2.6 million. The inflow in net working capital was primarily driven by a S\$5.5 million reduction in inventory, which was partially offset by an increase in trade and other receivables and a decrease in trade and other payables of S\$2.6 million and S\$0.3 million, respectively.

Net cash used in investing activities amounted to S\$2.0 million in FY26. The cash outflows were attributed to S\$2.6 million in purchases of property, plant and equipment, as well as a S\$0.2 million in addition of intangible assets, which were partially offset by S\$0.6 million in interest received from bank deposits and S\$0.2 million proceeds from disposal of asset.

Net cash used in financing activities amounted to S\$11.2 million mainly due to the decreases in the bank borrowings of S\$10.0 million and repayment of lease liabilities of S\$1.2 million.

Note: Performance Review is to be read in conjunction with the financial statements and the notes to the financial statements found in this annual report.

Board of Directors

MR. WONG FOOK CHOY SUNNY

Non-Executive Chairman and Independent Director

Mr. Wong Fook Choy Sunny serves as the Non-Executive Chairman and Independent Director of the Company, Chairman of the Remuneration Committee and a member of both the Audit and Nominating Committees. He joined the Board on 2 December 2024, and was last re-elected on 29 October 2025.

A practising advocate and solicitor of the Singapore Supreme Court, Mr. Sunny Wong was co-founder and managing director of the legal firm Wong Tan & Molly Lim LLC.

Mr. Sunny Wong graduated from the National University of Singapore with a Bachelor of Laws (Honours).

Mr. Sunny Wong is currently an Independent Director of KSH Holdings Limited listed on the Mainboard of SGX-ST.



MR. LEE JUN YIH

Joint CEO, Executive Director and Finance Director

Mr. Lee Jun Yih serves as the Joint Chief Executive Officer (“**Joint CEO**”), Executive Director and Finance Director of the Company. He joined the Board on 10 November 2014 and was last re-elected on 29 October 2025.

As Joint CEO, Mr. Lee works with his brother, Mr. Lee Jun Linn, the other Joint CEO, Executive Director and Chief Operating Officer (“**COO**”), to formulate the Group’s overall business and corporate policies and strategies. He oversees and manages the Group’s business and corporate development. As Finance Director, he oversees and controls the Group’s overall finance functions, which include financial planning, risk management, financial reporting and compliance, as well as capital allocation.

Mr. Lee joined the Group in July 2011 and was appointed Joint CEO on 1 March 2025. He also serves as a director on the boards of the Company’s subsidiaries.

Mr. Lee graduated from Pembroke College, University of Cambridge with a Bachelor of Arts (Law) in June 2004. He began his career as a solicitor with Freshfields Bruckhaus Deringer, an international law firm, in its Hong Kong, London and Beijing offices in 2005 before joining JP Morgan, London, and UBS AG, Hong Kong as an analyst in the Investment Banking Division in August 2007 and April 2008, respectively. Thereafter, he joined AEGON Asset Management as an associate in January 2010.

He was admitted as a Solicitor of the High Court of the Hong Kong Special Administrative Region in September 2007.



Board of Directors

MR. LEE JUN LINN

Joint CEO, Executive Director and Chief Operating Officer

Mr. Lee Jun Linn serves as the Joint CEO, Executive Director and COO of the Company. He joined the Board on 20 November 2014 and was last re-elected on 29 October 2024.

As Joint CEO, Mr. Lee works with his brother, Mr. Lee Jun Yih, the other Joint CEO, Executive Director and Finance Director, to formulate the Group's overall business and corporate policies and strategies. He oversees and manages the Group's business and corporate development. As COO, he is responsible for overseeing and managing the Group's sales, marketing, and distribution platforms, including the development of marketing strategies and expansion of the Group's global distribution network.

Mr. Lee joined the Group in April 2008 as Assistant General Manager of Unigloves Shanghai. On 1 March 2025, he was appointed the Joint CEO after ascending the ranks over the years. In addition, he is a director on the boards of the Company's subsidiaries.

Mr. Lee graduated from University College London with a Bachelor of Science (Economics) degree in August 2006 and subsequently obtained a Master of Science (International Management (China)) degree from the School of Oriental & African Studies in London in December 2007.

MS. GILLIAN NG LEE ENG

Independent and Non-Executive Director

Ms. Gillian Ng Lee Eng serves as the Independent and Non-Executive Director of the Company, Chairman of the Audit Committee, and a member of both the Nominating and Remuneration Committees. She joined the Board on 1 December 2023 and was last re-elected on 29 October 2024.

Ms. Gillian Ng has more than 15 years of experience in finance, accounting and human resource during her role as Finance Manager at EagleBurgmann KE Pte Ltd. As a key member of the management team, she had oversight over financial and management reporting, internal controls, tax and human resource functions.

She graduated with a Bachelor of Business in Accountancy from the Royal Melbourne Institute of Technology. She is also a member of the Singapore Institute of Directors and associate member of the Institute of Singapore Chartered Accountants.

Ms. Gillian Ng is currently an Independent Director of Medi Lifestyle Limited listed on the Catalist Board of SGX-ST.

Board of Directors

MR. LAW CHEONG YAN

Independent and Non-Executive Director

Mr. Law Cheong Yan serves as the Independent and Non-Executive Director of the Company, Chairman of the Nominating Committee, and a member of both the Audit and Remuneration Committees. He joined the Board on 2 December 2024, and was last re-elected on 29 October 2025.

In May 2026, Mr. Law was appointed Senior Associate Director of Alpsedge Real Estate Pte. Ltd., a boutique consultancy specialising in capital markets transactions, investment-grade properties, development land, and collective sales. Since December 2025, he has also served as Director of Torrentium Capital Pte. Ltd., which focuses on mergers and acquisitions and provides fractional Chief Financial Officer and financial advisory services.

Previously, Mr. Law held the position of Head of Strategy of Sing-Ed Corporation Pte. Ltd. from February 2025 to April

2026, where he was instrumental in driving growth through business development and strategic partnerships. Prior to this role, he served as the Chief Operating Officer of Sing-Ed Corporation Pte. Ltd. until January 2025.

From August 2013 to January 2022, Mr. Law was Chief Financial Officer of Chip Eng Seng Corporation Ltd, overseeing financial strategy and operations. He rejoined Chip Eng Seng after more than nine years managing overseas subsidiaries of Singapore companies in the PRC and the US. From 1999 to 2004, he was Group Financial Controller of Chip Eng Seng and began his professional career as an auditor with KPMG Singapore from 1995 to 1999.

Mr. Law holds a Bachelor of Accountancy (Hons) degree from Nanyang Technological University, Singapore. He is also a member of ISCA and CPA Australia.

Key Management

MS. WONG PEK WEE

Managing Director, Manufacturing Division

Ms. Wong Pek Wee serves as the Managing Director of the Group's Manufacturing Division, where she is responsible for overseeing and managing the Group's upstream gloves manufacturing function. Her duties encompass planning the entire glove manufacturing and production process, assessing quality, and conducting cost-effective research and development.

Ms. Wong joined the Group as a chemist in January 1997. She advanced through the ranks, taking on the role of Executive (Manufacturing) in January 1998, followed by Production

Manager in January 2000, Manufacturing Manager in September 2007, and subsequently Head of Manufacturing, before assuming her current position in January 2025.

Ms. Wong started her career as a chemist with Cospac Sdn Bhd from June 1993 to May 1995. Prior to joining the Group, she was a temporary teacher with Sekolah Menengah Chung Ching, Raub Pahang.

Ms. Wong graduated from University of Malaya with a Bachelor of Science (Hons) in Chemistry, in July 1993.

Sustainability Report

BOARD STATEMENT

The Board of Directors (the “**Board**”) of UG Healthcare Corporation Limited (“**UG Healthcare**” or the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to present the annual sustainability report for the financial year ended 30 June 2026 (“**FY26**”).

The unexpected outbreak of conflict in the Middle East in late February 2026, coupled with ongoing global trade disputes and tariff uncertainties, has placed inflationary pressures on operational expenses and intensified the challenges in the business environment.

Undeterred, we expanded our downstream global distribution network and reinforced our proprietary international **UNIGLOVES®** brand, thereby enhancing our market presence in key markets. These initiatives, in turn, stimulate growth in our upstream manufacturing division, which has recently led to the commencement of trial production at our third manufacturing facility.

To optimise the Group’s integrated own brand manufacturing (“**OBM**”) supply chain business, we continue to harness our proprietary international **UNIGLOVES®** brand in collaboration with cost-effective manufacturers. This strategy equips the Group with a comparative advantage, enhancing our product portfolio while supporting our customers with hand protection solutions and essential hygiene and healthcare consumables. As market dynamics continues to improve, we believe the Group is well-positioned to drive demand and sales in key markets through our expanded downstream global distribution network, fostering sustainable growth and profitability over the long term.

UG Healthcare values the trust and loyalty of our stakeholders, and we remain committed to making progress in our economic, environmental, social, and governance (“**EESG**”) factors as we strive to adapt to the evolving business environment for prudent and sustainable growth. We will take into consideration essential EESG factors, along with the possible effects of climate-related risks and opportunities, ensuring they are pertinent to our business and growth ambitions as we formulate the Group’s strategies and policies.

This sustainability report provides an overview of our EESG performance for FY26, focusing on the Group’s upstream manufacturing operations located in Seremban, Negeri Sembilan, Malaysia. The Singapore operation primarily serves as corporate reporting for the listed company while also functioning as the headquarters for sales, marketing, and distribution related to our global downstream distribution activities. This report maintains a focus on the performance of our upstream manufacturing and does not include performance data from our Singapore operations or global downstream distribution, which are managed locally in both developed and developing markets. We take pride in the trust and loyalty our customers place in our proprietary international **UNIGLOVES®** branded products. We are committed to upholding integrity and business ethics throughout OBM supply chain, which allows us to ensure accountability and traceability for our products.

This sustainability report has been prepared with reference to the 2021 Global Reporting Initiative (“**GRI**”) Sustainability Reporting Standards (“**GRI Standards**”) and in compliance with Rules 711A and 711B of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Listing Manual Section B: Rules of Catalist (the “**Catalist Rules**”), as well as the SGX-ST’s Sustainability Reporting Guide. We have selected the GRI framework due to its recognition as a reputable and globally acknowledged standard for sustainability reporting. The Company is committed to meeting the SGX-ST’s updated climate reporting requirements as announced on 25 August 2025, which works towards the gradual adoption of the International Financial Reporting Standard (“**IFRS**”) Sustainability Disclosure Standards issued by the International Sustainability Standards Board (“**ISSB**”).

We did not seek external assurance for this sustainability report. As part of our internal audit plan, our internal auditors reviewed our sustainability reporting processes annually in accordance with the International Standards for the Professional Practice of Internal Auditing, as published by the Institute of Internal Auditors.

Sustainability Report

The Company publishes the sustainability report on an annual basis, which is included in the annual report and is made available on the Company's corporate website at www.ughealthcarecorporation.com, as well as on SGXNet at www.sgx.com/securities/company-announcements.

We welcome any feedback or suggestions concerning this report, as we believe that your insights can assist us in enhancing our initiatives. Please feel free to contact us via our investor relations email at ir@ughealthcare.com.

On behalf of the Board

Mr. Wong Fook Choy Sunny

Non-Executive Chairman and Independent Director

Mr. Lee Jun Yih

Joint Chief Executive Officer, Executive Director and Finance Director

Sustainability Report

SUSTAINABILITY GOVERNANCE

At UG Healthcare, our sustainability goal is to collaborate with our prioritised stakeholders, including customers, employees, business partners, and the communities where we operate, to foster positive change and progress. We believe that our sustainability strategy, which embraces EESG areas such as labour practices and societal responsibilities, represents a holistic approach prioritising inclusivity and contingency planning, forming the foundation of our organisational culture.

Through this sustainability approach, the Board and management embed sustainable values within the Group and effectively communicate these principles to our external stakeholders. We believe that proactively addressing the EESG impacts within our operations will enable us to better manage the inherent risks and opportunities present in our business, thereby fostering stable and sustainable value for our stakeholders.

To reinforce our Group's commitment to sustainability, we have established the Sustainability Reporting Policy, which outlines the framework for our sustainability reporting. Through ongoing education and training, the Board remains informed about the increasing concerns surrounding sustainability and climate-related matters.

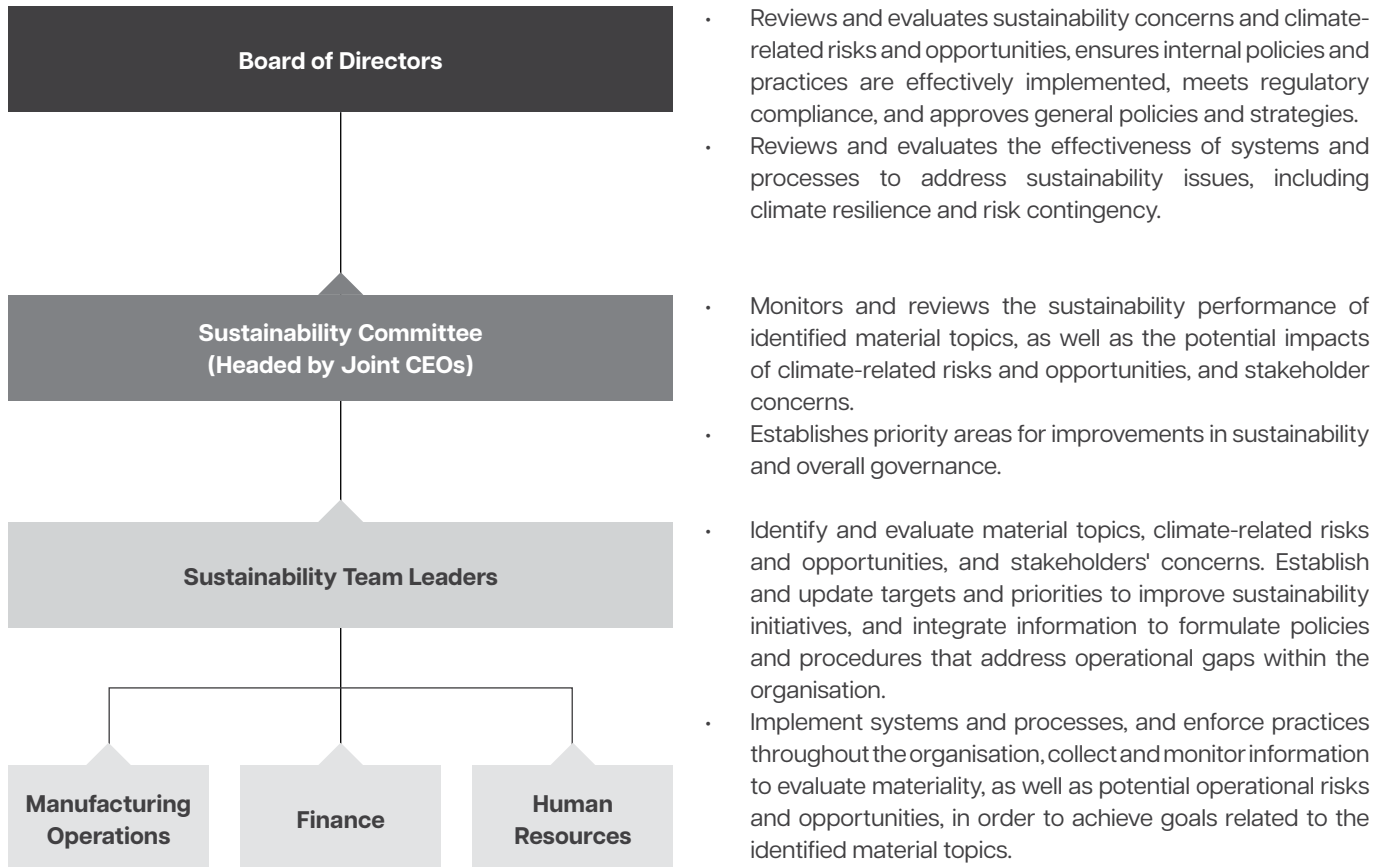
The Group has established a Sustainability Committee ("**SC**") composed of key management executives responsible for overseeing various departments within the organisation. The Group's Joint Chief Executive Officers ("**CEOs**") oversee the SC and provide reports to the Board for advice and guidance. Any sustainability concerns related to the Group's operational risks and opportunities will be raised with the SC. The SC will assess the aspects of enterprise risk management related to the identified concerns before presenting its findings to the Joint CEOs, who will then report to the Board. The Board monitors the SC by evaluating the relevance of practices implemented to address potential sustainability challenges. Furthermore, the Board would consider these findings when formulating strategies and policies to better manage future sustainability challenges. This approach ensures that all EESG and climate-related matters material to the business are duly considered and addressed.

While the Board is responsible for reviewing and deliberating on the sustainability concerns, the SC is tasked with ensuring that EESG factors and climate-related matters are continuously monitored and effectively managed. The SC reviews the Group's sustainability performance and identifies material topics, while also analysing climate-related risks and opportunities, addressing stakeholder concerns, and setting targets and goals for the material EESG factors. Furthermore, the SC establishes systems to collect, verify, monitor, and report the information necessary for sustainability reporting. The SC convenes at least once a year to discuss, propose, coordinate, and promote the Group's sustainability practices.

The Company is committed to meeting the SGX-ST's updated climate reporting requirements, as announced on 25 August 2025, which entail the gradual adoption of the IFRS Sustainability Disclosure Standards issued by the ISSB with the selected GRI Standards framework.

Sustainability Report

SUSTAINABILITY GOVERNANCE STRUCTURE



We believe that the ethos of the Group, together with our conscientious efforts to manage our businesses responsibly, reflects our gratitude for the trust and support of our stakeholders and safeguards their interests.

STAKEHOLDER ENGAGEMENT

At UG Healthcare, we believe that sustainable operations necessitate regular communication among internal and external stakeholders. The Group remains committed to engaging with our stakeholders through effective communication and strengthening mutually beneficial relationships in order to grow sustainably together.

Sustainability reporting gives us a valuable opportunity to engage our stakeholders and respond to concerns that are most important to them and to our business, while also improving the Group's assessment in risk management, strategy development, and stakeholder engagement activities as we work to further focus and prioritise our sustainability and corporate social responsibility initiatives. We are committed to recognising and addressing our key stakeholders' concerns, as well as aligning our key stakeholders to participate in the Group's sustainable and steadfast growth journey.

We continue to engage with our stakeholders through multiple established communication channels to assess the material matters that are of concern to them and our business.

Sustainability Report

Our engagements with our key stakeholders are summarised below:

Stakeholders	Areas of Concern	Communication Channels	Our Actions
Internal			
Board of Directors	• Ensure internal policies and practices are current and effectively implemented and monitored • Regulatory compliance	• Board meetings • Regular updates via electronic communications (emails, phone calls, virtual meetings)	• Regular updates on corporate activities, developments, and financial performance • Seek advice and approvals from the Board on all material proposed developments
Employees	• Career growth • Training opportunities • Competitive salaries and incentives • Pleasant and safe working environment	• Regular internal communications through staff meetings and electronic communications (emails, phone calls, internal notices, virtual meetings) • Training and development programmes • Performance appraisal • Employee feedback/survey	• Ensure effective implementation of human resources policies, internal systems and procedures • Regular internal meetings to review safety and healthy work environment • Sponsor employees to attend courses and conferences • Annual review on performance
External			
Government & Regulators	• Good governance practices • Regulatory compliance • Occupational health & safety • Environmental issues	• Meetings • Mails • Electronic communications • Through external professionals and agencies • Announcements on SGXNet	• Ensure compliance with applicable laws and regulations • Regular communication with external professionals and agencies • Correspondence with relevant authorities when necessary • Consistent update on relevant laws and regulations through seminars and training • Ensure all public disclosures are disclosed accurately and timely via official announcements as appropriate

Sustainability Report

Stakeholders	Areas of Concern	Communication Channels	Our Actions
Customers / Distributors	• Quality assurance • Reliability, on-time delivery, and after sales services • Technical support • Reasonable payment terms • Competitive pricing • Long-term working relationship	• Regular customer feedback management (survey, face-to-face meetings) • Regular follow-up and support services (calls, face-to-face meetings) • Trade fair (trade show, exhibition) • Electronic communications (emails, phone calls, virtual meetings)	• Certification of ISO 9001, ISO 13485 and EN ISO 13485, and in compliance with ISO 14971 and EN ISO 14971 to assure consistent quality standards in products and services • Ensure all relevant requirements and compliance with standards are met for all products manufactured and sold • SMETA 4-pillar annual audit to assure products are produced ethically and responsibly • Regular internal meetings to review customers' fulfilment and evolving requirements • Active follow-up on customers' needs and product applications, as well as updates on new products • Provide timely responses to customers • Perform periodic evaluations to understand customers' perspectives
Suppliers / Business Partners	• Timely payment and adherence to agreed terms • Long-term working relationship	• Regular interactions and updates with suppliers • Electronic communications (emails, phone calls, virtual meetings)	• Regular review and feedback on the quality and evolving requirements • Ensure compliance with standards, relevant laws and regulations, as well as good corporate practices • Perform periodic evaluation

Sustainability Report

Stakeholders	Areas of Concern	Communication Channels	Our Actions
Shareholders & Investment Community	- Financial performance and investment returns - Business sustainability and profitability - Industry conditions and prospect - Market presence - Transparency and good governance	- Announcements on SGXNet - Shareholders' general meetings - Investor relations (face-to-face meetings, emails, virtual meetings, conference calls) - Electronic communications (emails, virtual meetings) - Annual report - Company website	- Ensure all public disclosures on corporate results and material developments are disclosed accurately and timely via official announcements as and when required - Half-yearly meetings with analysts and investment community to update on corporate developments - Ensure sustainable business growth

MATERIALITY ASSESSMENT

The Group conducted an internal analysis to evaluate the relevance of material topics to our operations, in line with the latest requirements of the GRI Standards and the Catalyst Rules for FY26. We assessed materiality criteria by applying industry standards, analysing peer benchmarking information from companies with similar operations and management practices, and incorporating relevant recommendations from our internal auditors based on their annual audit and review of the last year's sustainability report.

The Group has been progressively adopting the Task Force on Climate-Related Financial Disclosures ("**TCFD**") recommendations over the past few years. In August 2025, the SGX-ST announced a roadmap for climate reporting that incorporates TCFD recommendations into climate-related disclosures ("**CRD**") under the IFRS Sustainability Disclosure Standards. The SC is taking time to understand these requirements and has started working on the necessary climate-related disclosures.

While we are still in early stage of discussing the potential climate-related risks, encompassing both transition and physical risks, as well as climate-related opportunities (collectively referred to as "**CrRO**"), we have an established governance structure and have been reporting on our greenhouse gas ("**GHG**") emissions since FY22. We are committed to enhancing our climate resilience through effective governance and risk contingency measures and will meet compliance requirements within the stipulated timeline, utilising available resources.

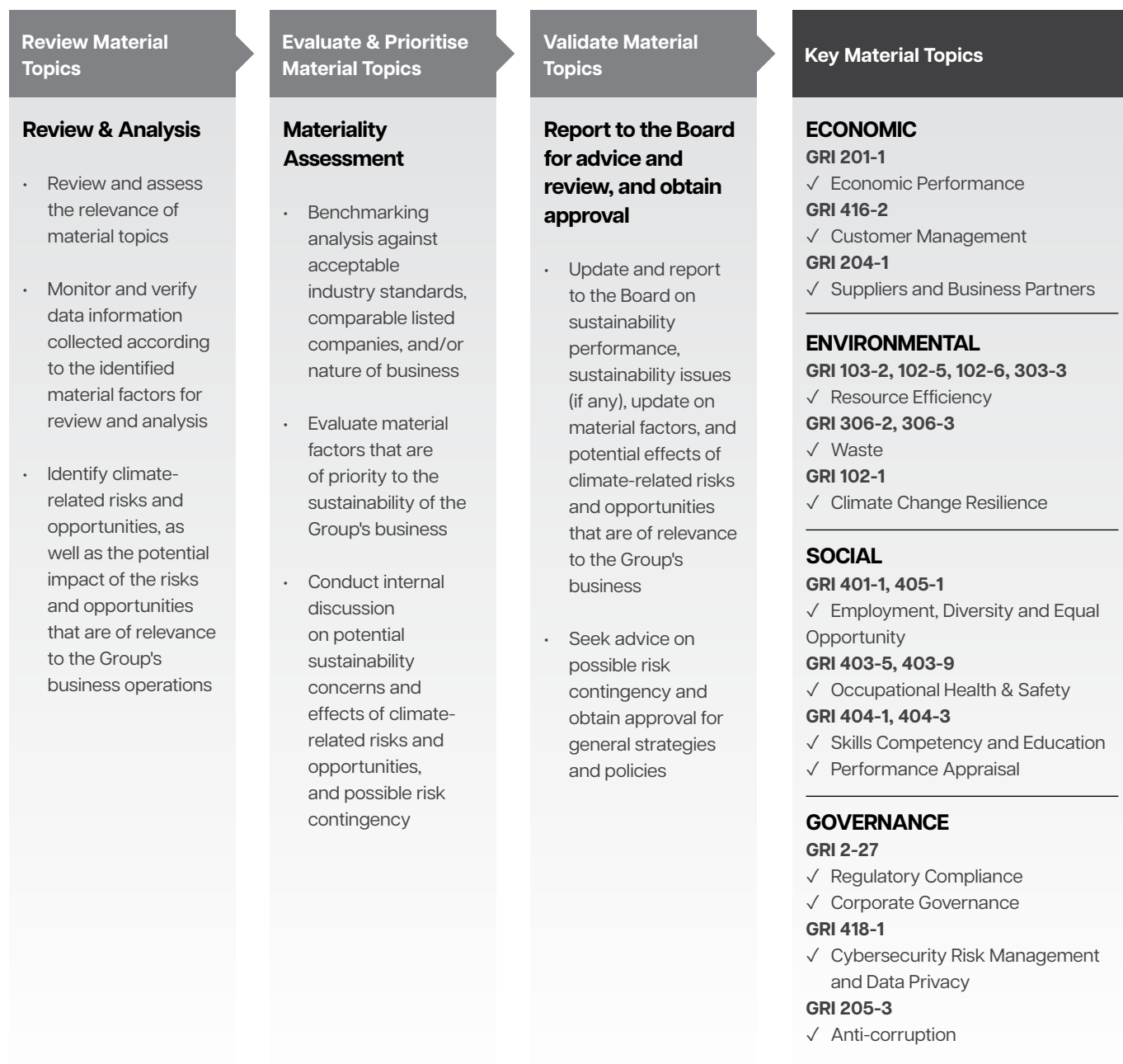
The internal stakeholders, primarily the members of the organisation who are familiar with the day-to-day operations of the Group, especially the upstream manufacturing operations, evaluate the potential impacts of the identified material topics relevant to our business operations from their perspectives. Subsequent to this evaluation, the selected material topics, together with the mandatory components to be included in the sustainability report, are presented to the Board for review and approval.

We ensure that data is collected in accordance with the selected material topics relevant to our upstream manufacturing operations, facilitating an analysis of our sustainability performance. Integrating data collection into our operational activities enables regular monitoring and efficient responses to events, which is essential for adapting our strategies and enhancing our sustainability performance. Furthermore, assessing our performance allows us to establish targets for the relevant material topics for the following financial year. In addition to addressing material factors pertinent to the Group's operations, we are working towards compliance with the latest sustainability reporting requirements in the near future.

We are committed to enhancing our engagement with stakeholder groups regarding the material topics we have identified, especially as we navigate our growth prospects in response to global economic and geopolitical challenges. We have built on our initial internal dialogue and assessment of the potential impacts of climate-related risks and opportunities on our business operations. We will continue to adopt a progressive approach and optimise our available resources to enhance the disclosures in our forthcoming sustainability reports, demonstrating the Group's climate resilience.

Sustainability Report

The chart below outlines the process for sustainability reporting and the specific disclosures for each GRI Standard related to the selected material topics.



Note:

The Global Reporting Initiative ("GRI") and the IFRS Foundation ("ISSB") are collaborating to achieve full interoperability between their reporting standards. They have aligned common disclosure areas, including greenhouse gas emissions and climate risks, to reduce reporting duplication. GRI has rolled out updated standards. This includes GRI 102: Climate Change 2025, which replaces old emissions standards reported under GRI 305: Emissions 2016 and GRI 201-2: Financial implications and other risks and opportunities due to climate change, as well as GRI 103: Energy 2025, which includes supply chain consumption and decarbonisation plans and replaces old energy GRI 302: Energy 2016.

Sustainability Report

MATERIAL TOPIC: ECONOMIC

Economic Performance

GRI 201-1

Our Group's commitment to an integrated OBM supply chain business approach continues to demonstrate resilience against industry challenges, as well as macroeconomic and geopolitical uncertainties. This strategy enhances operational efficiency and positions us to benefit from favourable market dynamics in FY26.

We achieved a revenue growth of 4.7% year-on-year, increasing from S\$144.1 million in FY25 to S\$150.8 million in FY26. Our extensive downstream global distribution network, coupled with our strong proprietary international branding, has driven growth in sales volume, while rising average selling price and improved operational efficiency led to higher revenue and gross profits across all product segments.

In light of geopolitical and tariff uncertainties, we emphasised our flexibility to collaborate with cost-effective manufacturers to expand our product portfolio produced under our proprietary international **UNIGLOVES®** brand. In addition, prudent cost management and enhanced operational efficiency led to increase in gross profit, which rose by 23.4% year-on-year from S\$34.7 million in FY25 to S\$42.9 million in FY26. Accordingly, the composite gross margin improved from 24.1% in FY25 to 28.4% in FY26.

Notably, earnings before interest, tax, depreciation, and amortisation ("**EBITDA**") – a key indicator of overall financial performance and core operating profitability – saw a significant increase from S\$2.2 million in FY25 to S\$12.4 million in FY26.

The commendable results paved the way for the Group's return to profitability, achieving a net profit of S\$2.1 million in FY26, compared to a net loss of S\$4.1 million in FY25.

Please refer to the following sections in the annual report for more details on our operations and financial information:

- Business Operations on pages 4 to 8
- Financial Highlights on page 10
- Performance Review on pages 11 to 13
- Financial Statements on pages 89 to 165

PERFORMANCE IN FY26

- Achieved targets set for FY26, with the following performance:
- Recorded a net profit of S\$2.1 million in FY26, compared to a net loss of S\$4.1 million in FY25.
- Maintained flexibility to collaborate with cost-effective manufacturers, thereby broadening our product portfolio and achieving comparative advantage that complements the products produced in our upstream manufacturing facilities.
- Strengthened our market presence through the robust proprietary international **UNIGLOVES®** brand in key markets, which enhanced our competitiveness.
- Recorded no incident of non-compliance with management controls and procedures.

TARGETS FOR FY27

- To enhance profitability by improving operational efficiency and capitalising on the growing global demand for hand protection solutions and hygiene consumables.
- To initiate commercialisation at the third manufacturing facility in FY27.
- To uphold a consistent record of zero incidents of non-compliance with management controls and procedures.

Sustainability Report

Direct economic value generated and distributed

Financial year ended 30 June (in SGD thousands)	FY26	FY25	FY24
Economic value generated	150,824	144,074	115,205
Economic value distributed	(149,656)	(149,644)	(123,577)
Operating costs	(123,185)	(125,606)	(105,850)
Employee wages and benefits	(23,713)	(21,994)	(19,499)
Payments to providers of capital	(2,497)	(2,154)	(1,238)
(Payments to)/refund from government by country (taxes)	(261)	110	3,010
Economic value retained	1,168	(5,570)	(8,372)

Notes:

- Operating costs include cost of sales, marketing and distribution expenses, administrative expenses, other expenses and exclude employee wages and benefits.
- Employee wages and benefits include Directors' remuneration and employee salaries.
- Payments to providers of capital denotes interest paid to banks and dividends paid to shareholders.
- Refund from/(payments to) government by country (taxes) denotes income taxes refunded or paid.

The Group's OBM supply chain strategy continues to yield favourable results, especially in bolstering customer trust in product quality and traceability. This approach underscores our commitment to safeguarding the safety of our end users through our hand protection solutions and hygiene consumables, which we believe will contribute to our financial performance in a sustainable manner.

As we strive to further improve operational efficiency to maintain our growth momentum, we aim to capitalise on the rising global demand for hand protection solutions and hygiene consumables in the industrial and healthcare sectors. Nevertheless, we will remain cautious in our resource management and vigilant in identifying opportunities amidst the current macroeconomic and geopolitical uncertainties.

Sustainability Report

Customer Management GRI 416-2

Our Group's ethos has always emphasised the significance of cultivating lasting business relationships with our customers. We are able to exert greater control over the quality, reliability, and traceability of our product offerings through our integrated OBM supply chain business, which includes upstream manufacturing and downstream distribution for our proprietary international **UNIGLOVES®** brand. Our product portfolio is designed to deliver effective protection against cross-infection and to adhere to stringent hygiene standards for both individuals and professionals in areas such as infection control, hygiene care, dental health, and wound care.

We are committed to upholding our best practices and standards to meet the evolving needs of our end users across diverse industries. This commitment encompasses the innovation and development of effective hand protection solutions, including both disposable and reusable gloves, along with hygiene consumable products produced for professional applications, to keep users safe. We value the trust and brand loyalty that our customers have shown toward our **UNIGLOVES®** branded products.

Valuable market intelligence is provided by our extensive and well-established global distribution network, which encompasses both developed and developing countries. The Group's competitive advantage is derived from the direct interaction with our customers through our downstream distribution operations, which allows us to comprehend and address their needs. This competitive advantage is further bolstered by our upstream manufacturing operations.

Our upstream manufacturing is certified for the production and supply of disposable examination gloves made from natural latex and nitrile. The Group is also registered with the Supplier Ethical Data Exchange, a not-for-profit membership organisation that is committed to the advancement of ethical and responsible business practices in global supply chains. In addition, our manufacturing facilities undergo annual audits based on the 4-pillar SMETA framework. This framework includes (i) labour standards, (ii) health & safety, (iii) environmental practices, and (iv) business ethics.

Additionally, our proprietary international **UNIGLOVES®** brand of products consistently complies to various international standards and requirements. For further details on the accreditations of our products, please refer to the Business Operations section on pages 4 to 8 of the annual report.

The Group maintains our record of no incidents of non-compliance with relevant laws and regulations concerning customers' health and safety, and we will continue to uphold this commitment.

PERFORMANCE IN FY26

- Achieved targets set for FY26, with the following performance:
- Achieved higher sales revenue across all product segments, supported by a strengthened proprietary international brand, while maintaining a robust market presence in key markets across both developed and developing countries.
- Recorded no incident of non-compliance with relevant laws and regulations on health and safety impacts of products and services.

TARGETS FOR FY27

- Maintain international production standards, ensuring that the products are of high safety and quality.
- Continue to support customers by cultivating demand for proprietary **UNIGLOVES®** branded products, strengthening market presence, and expanding product portfolio.
- Maintain a track record of no incidents of non-compliance with relevant laws and regulations concerning the health and safety impacts of products and services.

Sustainability Report

Supplier and Business Partners GRI 204-1

The Group remains committed to fostering mutually beneficial partnerships with local suppliers for our upstream manufacturing operations whenever feasible.

We are of the opinion that sourcing raw materials from local suppliers not only bolsters the local economy and supports the sustainability of their businesses but also improves cost efficiency and ensures a reliable supply of raw materials for our upstream manufacturing operations.

We recognise that the sustainability of our Group's operations can be influenced by the sustainability practices of our suppliers and business partners. Therefore, we value the trust and robust relationships we have established with them as we strive to achieve sustainable growth collaboratively.

The Group has implemented policies and internal procedures that govern our procurement activities, which are aligned with our quality management standards. The procurement process entails identifying business requirements, sourcing and evaluating vendors based on factors such as quality, pricing, delivery performance, and compliance requirements, as well as obtaining the necessary approvals and continuously monitoring their performance.

In light of geopolitical and tariff uncertainties, as well as potential climate-related risks, the Group employs strategies for supplier diversification and procurement. This includes maintaining regular communication with suppliers and business partners to enhance reliability and ensure continuity in the supply of raw materials for our upstream manufacturing operations.

The unforeseen conflict in the Middle East has led to inflationary pressures on the prices and supply of raw materials. Nonetheless, we did not identify any material supply disruptions in FY26.

Proportion of spending on local suppliers

Types of raw materials	FY26	FY25	FY24
Natural latex	24.1%	9.1%	9.6%
Nitrile	25.5%	30.1%	21.6%
Chemicals	100.0%	100.0%	100.0%
Packaging materials	100.0%	100.0%	100.0%

PERFORMANCE IN FY26

- Achieved targets set for FY26, with the following performance:
- Increased purchases for natural latex in FY26 due to increase in demand for natural latex disposable examination gloves.
- There was an overall increase in purchases for natural latex, nitrile, chemicals, and packaging materials from the local suppliers in FY26.
- Recorded no disruption for our raw materials supply in FY26.

TARGETS FOR FY27

- To maintain similar percentage of purchases from local suppliers.
- To maintain strong business relationships with our suppliers and business partners.

Sustainability Report

MATERIAL TOPIC: ENVIRONMENTAL

Resource Efficiency

GRI 103-2, 102-5, 102-6, 303-3

The Group's upstream manufacturing operations primarily meet our energy needs by utilising natural gas and electricity. Natural gas serves as the primary fuel to facilitate various manufacturing functions, including drying, thermal chemical process, and the production of gloves. Furthermore, electricity is utilised for lighting, cooling, and operating equipment. The primary demand for water consumption in manufacturing facilities is the production of disposable examination gloves.

The Group is dedicated to enhancing the energy efficiency of our consumption and making use of renewable resources whenever feasible. The solar panels installed on the rooftops of our warehouse and office building at our upstream manufacturing facilities during FY24 are continuing to support the diversification of our energy mix.

Our total energy consumption for the Group's manufacturing facilities decreased by 2.9% year-on-year, from 619,259 gigajoules ("**GJ**") in FY25 to 601,087 GJ in FY26. Consumption from non-renewable sources declined by 3.0% year-on-year, reducing from 617,843 GJ in FY25 to 599,563 GJ in FY26. In contrast, consumption from renewable source increased by 7.6% year-on-year, rising from 1,416 GJ in FY25 to 1,524 GJ in FY26.

The average electricity consumption per 1,000 pieces of gloves declined by 11.1% year-on-year, from 9.48 kWh in FY25 to 8.43 kWh in FY26. In addition, the consumption of natural gas per 1,000 pieces of gloves decreased by 6.1% year-on-year, from 0.36 metric million British thermal unit ("**MMBtu**") in FY25 to 0.34 MMBtu in FY26. The improvements can be attributed to enhanced operational efficiency and economies of scale, resulting from a slightly increased volume of disposable examination gloves produced in FY26 compared to FY25.

The energy consumed was attributed to the two existing manufacturing facilities, as the third manufacturing facility has just started trial production in the financial year ending 30 June 2027 ("**FY27**"). Correspondingly, the Group's total greenhouse gas ("**GHG**") emissions declined by 1.9% year-on-year, reducing from 41,190 tonnes CO₂e ("**tCO₂e**") in FY25 to 40,416 tCO₂e in FY26.

The local municipal water supply serves as the source of the water consumed. The Group's upstream manufacturing facilities consumed a total volume of 915.8 megaliters ("**ML**") in FY26, reflecting a 8.8% year-on-year reduction from 1,004.0 ML consumed in FY25. Additionally, the average water consumption per 1,000 pieces of gloves produced decreased by 12.2% year-on-year, declining from 0.68 litre in FY25 to 0.59 litre in FY26.

Although our Group's integrated OBM supply chain model and our proprietary international **UNIGLOVES**[®] brand allow us to collaborate with cost-effective manufacturers in producing various generic and quality products, we continually strive to optimise resource efficiency in our upstream manufacturing operations. We adhere to a Natural Resources Conservation Policy aimed at enhancing energy efficiency and reducing energy consumption by streamlining operational processes and implementing technology that is both energy- and water-efficient. Furthermore, we engage our employees through "Water Conservation Awareness" briefings. We use monthly energy and water consumption data to assess the effectiveness of these initiatives.

PERFORMANCE IN FY26

- Achieved targets set for FY26, with the following performance:
- Recorded 2.9% decrease in total energy consumption from 619,259 GJ in FY25 to 601,087 GJ in FY26.
- Total energy consumption from non-renewable sources reduced by 3.0%, down from 617,843 GJ in FY25 to 599,563 GJ in FY26.
- Consumption from renewable source increased by 7.6%, up from 1,416 GJ in FY25 to 1,524 GJ in FY26.
- Total GHG emissions decreased by 1.9% from 41,190 tCO₂e in FY25 to 40,416 tCO₂e in FY26.
- Total volume of water consumed decreased by 8.8% from 1,004.0 ML in FY25 to 915.8 ML in FY26.
- Improvement in average consumption of energy and water per 1,000 pieces of gloves produced was due to enhanced operational efficiency and economies of scale.

TARGETS FOR FY27

- To monitor energy and water consumption performance data.
- To monitor production efficiency and productivity to improve the average consumption of energy and water per 1,000 pieces of gloves produced.

Sustainability Report

With the recent commencement of trial production at our third manufacturing facility, we will continue to monitor and quantify our environmental footprint. This includes a particular focus on energy and water consumption, enabling us to understand our baseline consumption under normal operating conditions and to set realistic targets.

Energy consumed from non-renewable and renewable sources

GRI 103-2 (replaced GRI 302-1)

Energy sources	Group energy consumption (in GJ)			
	FY26	FY25	FY24	CAGR ¹ (%)
Electricity	45,338	49,358	53,364	(12.4)
Natural gas	554,225	568,485	583,895	(14.9)
Total non-renewable energy consumed	599,563	617,843	637,259	(14.7)
Solar	1,524	1,416	316	N.A. ²
Total energy consumed	601,087	619,259	637,575	(14.6)

Scope 1 and Scope 2 GHG emissions³

GRI 102-5, 102-6 (replaced GRI 305-1, 305-2)

GHG Emissions (in tCO ₂ e)	FY26	FY25	FY24	CAGR ¹ (%)
Scope 1	31,097	31,999	32,867	(15.0)
Scope 2	9,319	9,191	9,936	(9.4)
Total GHG emissions	40,416	41,190	42,803	(13.9)

Water consumed from third-party (Local municipal water supply)

GRI 303-3

Consumption (in ML)	FY26	FY25	FY24	CAGR ¹ (%)
Total water consumed	915.8	1,004.0	1,009.0	(13.8)

Average consumption of energy and water per 1,000 pieces of gloves produced

Energy sources	Unit	FY26	FY25	FY24	CAGR ¹ (%)
Electricity	kWh	8.428	9.483	9.830	(2.5)
Natural gas	MMBtu	0.340	0.362	0.365	(6.0)
Water	litre	0.593	0.675	0.665	(5.4)

1 CAGR refers to the 3-year compound annual growth rate.

2 N.A. denotes not applicable as solar energy started contributing in FY24.

3 Conversion factor is based on published statistics from the Department for Environment Food & Rural Affairs ("Defra") and official emission factors updated by Malaysia Energy Commission.

Sustainability Report

Waste

GRI 306-2, 306-3

The Group is committed to the preservation and protection of the environment and has fulfilled all relevant environmental requirements and standards. We operate industrial effluent treatment plants within our manufacturing facilities to treat effluent before discharging wastewater into the environment. Our treatment plants comply with the regulations set by Malaysia's Department of Environment ("DOE").

We monitor and assess the waste generated by our manufacturing facilities and have implemented a Materials, Chemicals and Waste Management policy. The majority of the waste we manage arises from the production of disposable examination gloves, which are made from natural latex and nitrile and classified as scheduled waste. We actively recycle general waste, including wastepaper, paper cartons, and plastics, whenever possible. Additionally, we conduct environmental awareness briefings across all departments to encourage recycling practices and promote responsible waste management among our employees.

General waste is collected by licensed contractors approved by the Solid Waste Management Department, while scheduled waste is collected by licensed contractors approved by the Department of Environment. All waste handling follows the Group's internal standard operating procedures ("SOP") to ensure that contractors operate in line with contractual requirements and applicable legislative obligations.

An approved licensed collector will transport our scheduled waste, which includes latex lumps, rubber sludge, laboratory waste, used oil, rags, ink, and empty containers, to the designated premises for recovery and disposal. Prior to disposal, the latex lump and rubber sludge will undergo an in-house drying and compressing process. Scheduled waste is monitored through the official online reporting system provided by Malaysia's DOE, while general waste is tracked using our Group's internal waste management records.

Our manufacturing facilities discharged 754,472 m³ of wastewater in FY26, a 13.7% year-on-year decrease from 874,706 m³ in FY25. The average wastewater discharge per 1,000 pieces of gloves improved from 0.59 m³ in FY25 to 0.49 m³ in FY26. The improvement can be attributed to enhanced operational efficiency and economies of scale, resulting from a slightly higher volume of disposable examination gloves produced in FY26.

Total waste generated decreased by 10.4% year-on-year from 1,423 metric tonnes ("MT") in FY25 to 1,275 MT in FY26. This total includes scheduled waste, which reduced by 9.0% year-on-year from 1,192 MT in FY25 to 1,085 MT in FY26, and general waste, which reduced by 17.6% year-on-year from 231 MT in FY25 to 190 MT in FY26. The reduction in waste generated can be attributed to improved operational efficiency and waste management.

PERFORMANCE IN FY26

- Achieved targets set for FY26, with the following performance:
- Recorded zero incidents of non-compliance with the relevant laws and regulations pertaining to waste disposal.
- Total wastewater discharged decreased by 13.7%, down from 874,706 m³ in FY25 to 754,472 m³ in FY26.
- Total waste generated reduced by 10.4%, down from 1,423 MT in FY25 to 1,275 MT in FY26.

TARGETS FOR FY27

- Continue to monitor performance on wastewater discharge and waste generation performance.
- To maintain efficient waste management efforts.
- To maintain track record of zero incidents of non-compliance with relevant laws and regulations relating to waste disposal.

Sustainability Report

The Group maintained our record of zero incidents of non-compliance with the relevant laws and regulations relating to waste disposal in FY26. We are dedicated to protecting the environment and will continue to prioritise effective waste management while fulfilling our customers' demands for high-quality natural latex and nitrile disposable examination gloves. As we have commenced trial production at our third manufacturing facility, we will continue to monitor our performance and gain a better understanding of our baseline prior to setting realistic targets.

Waste generated

Types of waste	FY26	FY25	FY24	CAGR ¹ (%)
Wastewater discharged	754,472 m ³	874,706 m ³	889,208 m ³	(15.5)
Per 1,000 pieces of gloves	0.488 m ³	0.588 m ³	0.586 m ³	(7.3)
Hazardous				
Scheduled waste	1,085 MT	1,192 MT	1,326 MT	(6.8)
Per 1,000 pieces of gloves	0.702 kg	0.802 kg	0.874 kg	2.3
Non-hazardous				
General waste	190 MT	231 MT	248 MT	(30.9)
Per 1,000 pieces of gloves	0.123 kg	0.155 kg	0.164 kg	(24.1)
Total waste generated	1,275 MT	1,423 MT	1,574 MT	(12.7)
Per 1,000 pieces of gloves	0.826 kg	0.957 kg	1.038 kg	(4.1)

Sustainability Report

Climate Change Resilience GRI 102-1 (replaces GRI 201-2)

The Group recognises the possible adverse effects of climate change on our industry, our Company, and society at large. We are dedicated to embedding contingency planning within the operational procedures and strategies of the Group. We have undertaken measures to reduce our carbon footprint, aligning with our objectives to enhance operational efficiency and economic value.

To strengthen our adaptability and resilience in the face of climate change, we recognise that considerable investment in time and effort, along with judicious allocation of our limited resources, is essential. This investment will enable us to gain a better understanding of the climate-related risks and opportunities that are relevant to our Group's operations, thereby allowing us to manage these risks effectively.

Nonetheless, we have made progress in meeting the SGX-ST's updated climate reporting requirements, announced on 25 August 2025. In recent years, we have actively monitored and disclosed our greenhouse gas emissions under Scope 1 and Scope 2. The Group is currently focused on establishing baseline emissions and subsequently setting realistic targets to facilitate relevant disclosures in accordance with IFRS S2.

The Group is adopting a progressive approach to comply with the IFRS Sustainability Disclosure Standards, particularly IFRS S1⁴ and IFRS S2⁵. The SC is looking into identifying and evaluating critical climate-related risks and opportunities for the upstream manufacturing division in FY27. The Group's primary goal is to strike a balance between environmental responsibility and operational resilience. We aim to enhance energy efficiency, promote low-carbon technologies, and strengthen supply chain engagement to mitigate environmental impacts and create sustainable value for our stakeholders.

PERFORMANCE IN FY26

- Achieved the target of engaging internal discussion aimed at understanding potential climate-related risks and opportunities.
- Did not achieve the target of exploring scenario analysis to assess the Group's climate resilience due to limited resources.
- Achieved the target of reporting Scope 1 and Scope 2 of GHG emissions under IFRS S2.

TARGETS FOR FY27

- To identify and evaluate climate-related risks and opportunities that are of relevance to the Group's upstream manufacturing operations.
- To explore and consider scenario analysis to assess climate resilience in a progressive manner.

4 <https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/ifrs-s1-general-requirements/>

5 <https://www.ifrs.org/issued-standards/ifrs-sustainability-standards-navigator/ifrs-s2-climate-related-disclosures/>

Sustainability Report

MATERIAL TOPIC: SOCIAL

Employment, Diversity and Equal Opportunity GRI 401-1, 405-1

At UG Healthcare, we are committed to fair employment practices and maintaining a working environment where our employees are respected and empowered to perform at their best. We believe that our employees' health, career growth, and well-being are integral to our Group's continuous growth and long-term success.

We value our employees as fellow colleagues with an aligned vision of doing well together in our roles and responsibilities. At UG Healthcare, we prohibit any form of forced labour, human trafficking, and modern slavery in our Group. The Group does not discriminate against our employees or new hires based on race, age, gender, religion, marital status, ethnicity, physical impairments, sexual preference, political viewpoints, or nationality. We handle recruitment, remuneration, promotion, and benefits based on an objective assessment of merit, equal opportunity, and non-discrimination.

The Group conducts engagement sessions twice a week, primarily aimed at our foreign employees, through our HR Helpdesk programme. This effort complements our staff handbook and human resources manual, which adhere to the legislation and guidelines in the country of operations, particularly for our upstream manufacturing division. These sessions provide a platform for employees to raise concerns and seek assistance. The objective is to reinforce awareness and understanding of labour standards and compliance requirements.

Furthermore, we are committed to the nomination and election of employee representatives to ensure the welfare of all nationalities is protected. These elected employee representatives safeguard the interests of all foreign employees, regardless of nationality. We hold quarterly meetings with the elected employee representatives to address employee concerns, workplace improvements, and social compliance issues. This approach fosters open communication and promotes collaborative problem-solving, and support their adjustment.

We have also established several communication channels for employees to raise their issues and grievances with management. These include suggestion boxes situated at various locations on the premises, online submissions via the Employee Self Service ("ESS") system, and direct contact with any member of the human resources team, either in person or by telephone.

PERFORMANCE IN FY26

- Achieved targets set in FY26, with the following performance:
- Reported zero incidents of non-compliance with the relevant laws and regulations relating to fair employment practices.
- Maintained a relatively young workforce with above 90.0% of the Group's headcount below the age of 50.
- Gender diversity is relatively stable with male employees constituted above 80% of the workforce due to the inherent nature of the glove manufacturing industry. Male employees constitute 85.7% of the workforce in FY26, compared to 84.1% in FY25.

TARGETS FOR FY27

- Maintain a track record of no incident of noncompliance with the relevant laws and regulations in fair employment practices.
- Continue to monitor and review the recruitment procedure and systems to ensure fair and nondiscrimination in hiring.
- Continue to conduct annual SMETA audits against 4-pillars.
- To improve the gender diversity of our workforce.

Sustainability Report

Our Group remains committed to improving the living conditions and work-life balance of our foreign employees, who are currently residing in various rented hostels.

Employee turnover has primarily resulted from natural attrition, with recruitment taking place as needs arise. We provide competitive remuneration packages to all our employees, in line with industry benchmarks and reflective of their working experience, and offer them the opportunity to work overtime in accordance with local employment law in Malaysia.

In light of tariff and geopolitical uncertainties, our upstream manufacturing operations in Malaysia continue to encounter intense competition and consolidation within the disposable glove manufacturing industry. Our recruitment efforts focus primarily on replacing employees, as the Group adopts a cautious hiring strategy in response to rising inflationary pressures that impact our fixed operational costs. In tandem with the increase in our hiring rate, up from 11.9% in FY25 to 21.9% in FY26, the employee turnover rate has also risen from 18.6% in FY25 to 32.5% in FY26. The significant increase in employee turnover rate was mainly due to work permit requirements for foreign workers, and therefore, replacements have to be made. Despite these changes, the Group's overall staff strength has declined by 11.2% year-on-year, decreasing from 837 employees in FY25 to 743 employees in FY26.

The inherent nature of the profession has led to continued male dominance in the industry in terms of gender diversity. In FY26, male employees constitute 85.7% of the workforce, while female employees constitute 14.3%. This represents a slight decline in female employees from FY25, during which the proportion of male employees was 84.1% of the workforce and female employees 15.9%. We continue to maintain a workforce predominantly composed of younger employees, with approximately 94.2% of our total employees being below the age of 50 in FY26, representing a slight decrease from 95.3% in FY25.

The Group is unwavering in our commitment to achieving zero reported incidents of non-compliance with applicable laws and regulations related to fair employment practices over the short, medium, and long terms. We are dedicated to providing full-time employment for 100% of our workforce in FY26. Furthermore, we have conducted our annual 4-pillar SMETA audit, which covers Labour Standards, Health & Safety, Environment, and Business Ethics for our upstream manufacturing operations in FY26.

Sustainability Report

The demographics of our employees for our upstream manufacturing operations in Malaysia are set out below.

Employees by gender

FYE 30 June	FY26	FY25	FY24	CAGR ¹ (%)
Male	85.7%	84.1%	85.3%	(10.7)
Female	14.3%	15.9%	14.7%	(12.5)
Group headcount	743	837	898	(11.0)

Employees by age group

FYE 30 June	FY26	FY25	FY24	CAGR ¹ (%)
Below 30-year-old	28.0%	30.8%	35.0%	(26.2)
Between 30-50-year-old	66.2%	64.5%	60.9%	(0.9)
Above 50-year-old	5.8%	4.7%	4.1%	11.5
Group headcount	743	837	898	(11.0)

New hires by gender and age group

FYE 30 June	FY26	FY25	FY24	CAGR ¹ (%)
By gender				
Male	91.4%	66.0%	76.3%	(0.2)
Female	8.6%	34.0%	23.7%	(12.6)
By age group				
Below 30-year-old	40.5%	80.0%	60.2%	(11.7)
Between 30-50-year-old	58.3%	20.0%	37.6%	8.7
Above 50-year-old	1.2%	0.0%	2.2%	26.0
Group headcount	163	100	93	(1.6)

Sustainability Report

Hiring rate⁶ by gender and age group

FYE 30 June	FY26	FY25	FY24	CAGR ¹ (%)
By gender				
Male	20.0%	7.8%	7.9%	12.1
Female	1.9%	4.1%	2.4%	(1.8)
By age group				
Below 30-year-old	8.8%	9.5%	6.2%	(0.8)
Between 30-50-year-old	12.8%	2.4%	3.9%	22.1
Above 50-year-old	0.3%	0.0%	0.2%	41.6
Group hiring rate	21.9%	11.9%	10.3%	10.6

Employee turnover rate⁷ by gender and age group

FYE 30 June	FY26	FY25	FY24	CAGR ¹ (%)
By gender				
Male	32.2%	17.6%	24.2%	22.9
Female	34.3%	24.2%	33.1%	15.5
By age group				
Below 30-year-old	49.8%	26.9%	27.4%	30.9
Between 30-50-year-old	26.4%	14.5%	25.1%	23.7
Above 50-year-old	12.2%	13.2%	8.7%	(11.2)
Group employee turnover rate	32.5%	18.6%	25.5%	21.6

⁶ Hiring rate is computed as a percentage using the overall number of new hires over the total number of employees as at the end of the financial year ("FY").

⁷ Employee turnover rate is computed as a percentage using the overall number of employees who left during the FY over the average total number of employees as at the end of the current FY and the immediately preceding FY.

Sustainability Report

Diversity by employee category⁸, gender and age group

FYE 30 June	FY2026			FY2025		
	Mgmt	Executive	Non-Exec	Mgmt	Executive	Non-Exec
By gender						
Male	52.9%	24.5%	92.4%	48.8%	26.9%	91.4%
Female	47.1%	75.5%	7.6%	51.2%	73.1%	8.6%
By age group						
Below 30-year-old	2.9%	41.5%	28.2%	4.9%	44.7%	31.0%
Between 30-50-year-old	73.5%	47.2%	67.4%	75.6%	46.3%	65.6%
Above 50-year-old	23.5%	11.3%	4.4%	19.5%	9.0%	3.4%
Number of employees	34	53	656	41	67	729

Occupational Health and Safety

GRI 403-5, 403-9

We recognise that the Group's workforce is of paramount importance, and we are committed to providing a safe and healthy working environment for our employees. We cultivate a strong health and safety culture within the organisation, where each member of our workforce plays an active role in promoting a safe workplace. We believe that fostering a sense of self-accountability among employees, along with regular reminders and educational programmes, can enhance organisational cohesion and reduce work-related injuries and accidents.

We will continue our efforts to monitor and manage occupational risk exposures, reduce the incidence of occupational illnesses, and promote healthy lifestyles. A Health and Safety Committee ("HSC"), which includes employee representatives nominated by employees from various sections of the workplace, meets quarterly to review and discuss the relevance and currency of the training courses, policies, and procedures.

The responsibilities of the HSC and its members include: (i) assisting in the development of safety and health rules and a safe system of work; (ii) reviewing the effectiveness of safety and health programmes; (iii) conducting studies on the trends of accidents, near-miss accidents, dangerous occurrences, and occupational hazards and reporting the same to the Group's management, along with recommendations for corrective actions; and (iv) reviewing the safety and health policies at the workplace and providing recommendations to the Group's management for any policy revision.

All employees will have to undergo courses to equip themselves with the necessary knowledge and skills required for their roles and responsibilities. New and existing employees are also required to attend trainings under our Occupational Health & Safety programme which includes health and safety policies, basic first aid training, emergency response training, safe work procedures, and work instructions on a regular basis.

PERFORMANCE IN FY26

- Achieved targets set for FY26, with the following performance:
- Recorded zero incidents resulting in fatality and permanent disability.
- Recorded no incident of non-compliance of relevant occupational health and safety laws and regulations.
- Recorded 29 recordable work-related injuries and 0.05% work days lost in FY26, as compared to 26 incidents and 0.01% work days lost in FY25.

8 Mgmt denotes senior management and middle management; Executive includes supervisory positions; Non-Exec denotes non-executive personnel.

Sustainability Report

Subcontractors and visitors must comply with the following safety requirements before entering our manufacturing facilities:

- smoking in the manufacturing vicinity is strictly prohibited
- safety requirements to be fulfilled when handling equipment
- good housekeeping during and after completion of work
- emergency response procedure

The Group continues to uphold our record of zero incidents resulting in fatality or permanent disability in FY26. We are committed to maintaining a record of zero incidents of non-compliance with relevant occupational health and safety rules and regulations, thereby safeguarding our employees from occupational hazards in the short, medium, and long term.

In FY26, we observed 29 recordable job-related injuries, which account for 0.05% of work days lost, as compared to 26 recordable work-related injuries in FY25, which resulted in 0.01% work days lost. While these recordable job-related injuries were minor, we will persist in prioritising the health, safety, and well-being of our employees, ensuring that their livelihoods remain our primary concern.

Work-related injuries by gender

FYE 30 June	FY26	FY25	FY24	CAGR ¹ (%)
Male	29	24	22	(13.6)
Female	0	2	1	(100.0)
Total work-related injuries	29	26	23	(14.3)
Work days lost⁹	0.05%	0.01%	0.03%	(35.5)

(cont'd)

TARGETS FOR FY27

- Continue to conduct regular refresher training for our employees to make sure they understand the policies and standard procedures, and prioritise the importance of adhering to workplace safety standards and rules to minimise work-related injuries.
- To minimise the number of recordable work-related injury incidents of not more than 40 cases annually.
- To maintain record of zero incidents resulting in fatality and permanent disability.
- To maintain record of zero incidents of non-compliance with the relevant laws and regulations relating to occupational health and safety, providing a safe working environment, and protecting our employees from occupational hazards.

9 Work days lost in percentage denotes total lost days due to injuries over total number of working days of the Group's workforce in the respective financial years.

Sustainability Report

Skills Competency and Education GRI 404-1, 404-3

Our workforce is the essence of our organisation, and it is essential that we continue to enhance the value of those who contribute to our Group's growth and success.

At UG Healthcare, we believe that improving our employees' knowledge, credentials, and skills is critical to enabling them to perform their duties more effectively. We provide opportunities for our employees to develop their abilities through structured and experiential training programmes. The specific training initiatives chosen are determined by the duties and responsibilities of our employees within the organisation.

Some of the selected training programmes attended by our employees in FY26 include:

- i) AI workflow automation;
- ii) environmental management systems (ISO 14001);
- iii) energy management & energy audit for industrial installation; and
- iv) basic occupational first aid, cardiopulmonary resuscitation ("CPR"), and automated external defibrillator ("AED").

In FY26, our workforce of 743 employees completed a total of 958.5 training hours, averaging 1.3 training hours per employee. This represents a 52.9% decrease compared to FY25, when 837 employees accumulated 2,293.0 training hours, resulting in an average of 2.7 training hours per employee. The reduction in total number of training hours in FY26 can be attributed to the shorter credit hours of training sessions in comparison to FY25, along with an 11.2% decrease in the Group's workforce, which declined from 837 employees in FY25 to 743 employees in FY26. Nonetheless, the total number of training programmes increased from 31 in FY25 to 41 in FY26.

Total and average training hours per employee by gender

FYE 30 June	FY26	FY25	FY24	CAGR ¹ (%)
Male	340.0	963.0	1,039.0	(55.6)
Female	618.5	1,330.0	1,467.5	(27.9)
Total training hours	958.5	2,293.0	2,506.5	(44.3)
Group headcount	743	837	898	(11.0)
Average training hours per employee	1.29	2.74	2.79	(37.4)

PERFORMANCE IN FY26

- Achieved targets set for FY26, with the following performance:
- Recorded an average of 1.3 training hours per employee in FY26, down from an average of 2.7 training hours per employee in FY25.
- Total number of training programmes increased from 31 in FY25 to 41 in FY26.
- All employees received performance evaluations in FY26, with 46.3% undergoing annual performance appraisals and the remaining 53.7% assessed through regular supervision and work management.

TARGETS FOR FY27

- Continue to explore new upskilling programmes to enhance the knowledge and skills of our employees.
- To monitor our performance and understand our baseline in training requirements for our employees prior to setting realistic targets.
- To achieve annual performance evaluation for all employees.

Sustainability Report

Total and average training hours per employee by employee category

FYE 30 June	FY26	FY25	FY24	CAGR ¹ (%)
Management	10.1	10.2	20.7	(23.6)
Executive	7.7	15.9	19.1	(25.3)
Non-executive	0.3	1.1	0.5	(54.0)
Total training hours	958.5	2,293.0	2,506.5	(44.3)
Group headcount	743	837	898	(11.0)
Average training hours per employee	1.29	2.74	2.79	(37.4)

We are committed to offering our employees relevant educational and skill-building opportunities. As the Group strives to improve our financial performance, we intend to increase training hours and subsidies to support our employees' enrichment opportunities despite the macroeconomic challenges.

The Group has a structured performance appraisal process in place. Performance assessments are conducted upon completion of the probationary period prior to confirmation of employment. Subsequently, employees participate in annual performance reviews, which provide a basis for performance feedback, development opportunities, and remuneration decisions. Employee performance reviews are primarily guided by evaluation criteria related to employees' positions and responsibilities. We maintain regular communication with employees and gather performance data from their direct supervisors. This ongoing communication fosters stronger working relationships and keeps us informed about employee development and well-being.

We grant discretionary incentives to eligible employees based on their performance and contributions to the Group. We also conduct annual performance reviews with our employees, outlining a clear career progression path and arranging training to enable them to assume the necessary responsibilities.

In FY26, approximately 46.3% of our Group's workforce underwent the annual performance appraisals. The remaining 53.7% of the workforce primarily comprises employees in production and operational roles, whose job performance and work competencies are assessed from time to time through regular supervision and work management. For those identified for job upgrading, structured on-the-job training and competency assessments are conducted before they are assigned to the next position. These assessments help to evaluate their skills, competencies and readiness to take on increased responsibilities. As such, all employees are subject to performance or competency assessments, with the form and frequency of assessment varying according to their roles and circumstances.

The Group regularly reviews its remuneration policies and packages to ensure that

Sustainability Report

compensation and benefits remain aligned with industry standards. This supports the Group's efforts to recruit and retain talent.

MATERIAL TOPIC: GOVERNANCE

Regulatory Compliance

GRI 2-27

At UG Healthcare, we recognise that responsible business practices are vital for achieving our goal of providing quality and reliable hand protection solutions, along with non-glove hygiene and healthcare consumable products, to users who require personal protection and professional applications across various industries. We reaffirm our commitment to this principle by embedding ethical and responsible policies and practices at all levels of the organisation.

The Group is committed to conducting business in compliance with all relevant social, economic, and environmental regulations and standards. We employ internal checks and balances, along with regular reporting and updates to the appropriate authorities and agencies. Additionally, we conduct regular training for employees and take a proactive approach to risk management. We believe that robust corporate governance and adherence to regulatory obligations represent the minimum standards, continuous monitoring and auditing will be vital in identifying potential issues before they escalate.

We are also committed to proactively monitoring, identifying, and addressing a wider range of socioeconomic and environmental concerns, in addition to potential risks and consequences for our global operations that extend beyond our upstream manufacturing operations in Malaysia and corporate office in Singapore. We strive to uphold the interests of all stakeholders and conduct our business with integrity.

In FY26, we upheld our record of zero incidents of non-compliance with the relevant laws and regulations pertaining to socioeconomic and environmental matters. The Group is committed to achieving zero incidents of non-compliance with applicable laws and regulations in the domains of socio-economics and the environment, both in the short, medium, and long terms.

PERFORMANCE IN FY26

- Achieved the targets set for FY26, with the following performance:
- Maintained record of zero incidents of non-compliance with applicable laws and regulations pertaining to socio-economic and environment, which could potentially lead to internal disciplinary action or public allegation.
- Complied with the principles and guidelines outlined in the Code of Governance 2018, where applicable.
- Recorded no incidents of non-compliance with management controls and procedures.

TARGETS FOR FY27

- Ensure zero incidents of non-compliance with the relevant socio-economic and environmental laws and regulations.
- Ensure zero incidents of non-compliance with management controls and procedures.
- Maintain regular monitoring and update the adequacy of the management controls and procedures, as necessary.

Sustainability Report

Corporate Governance

The Board and management team of UG Healthcare are committed to upholding high standards of corporate governance and transparency. This dedication is intended to safeguard the interests of all stakeholders and ensure the long-term sustainability of the Group's operations.

We are unwavering in our commitment to the most effective corporate transparency and disclosure practices. Robust policies and procedures have been implemented to ensure that we adhere to relevant legislation and maintain our risk management principles. We are motivated by our commitment to corporate excellence to improve our operations by implementing a more transparent, accountable, and equitable organisational structure.

Please refer to the Corporate Governance Report found on pages 48 to 77 of the annual report for details of the Group's corporate governance principles and practices, precautionary measures, and risk management structure.

The Corporate Governance Report outlines the Group's corporate governance practices that were in place during FY26, with specific reference made to the principles and the provisions of the Code of Corporate Governance 2018 pursuant to Rule 710 of the Catalyst Rules.

Cybersecurity Risk Management and Data Privacy GRI 418-1

UG Healthcare places significant emphasis on each individual's privacy and is committed to safeguarding the confidentiality, integrity, and availability of personal data. This commitment aligns with the principles outlined in our Information Technology ("IT") Policy and the relevant guidelines.

The Group is resolute in our compliance with the Personal Data Protection Act and all applicable laws. In light of the ongoing digital transformation trend, we are continuously enhancing our systems and procedures to protect information pertaining to our businesses and key stakeholders, particularly our employees and customers. A variety of mitigation measures have been instituted as part of our risk management strategy to guard against IT system failures and malicious attacks. These measures encompass, but are not limited to, network firewalls and antivirus software.

In FY26, we upheld our record of zero incidents involving breaches of customer privacy, with no reported leaks, thefts, or losses of customer data. We are committed to maintaining zero occurrences of customer or data privacy breaches in FY27, as we will remain vigilant and strictly adhere to all relevant rules and regulations.

PERFORMANCE IN FY26

- Achieved the target set for FY26, with the following performance:
- Recorded no incident of non-compliance on cybersecurity and data privacy.

TARGET FOR FY27

- To maintain our track record of zero incidents of non-compliance on cybersecurity and data privacy.

Sustainability Report

Anti-Corruption GRI 205-3

UG Healthcare Group is steadfast in our commitment to conducting business with integrity and transparency, maintaining a strict stance against corruption and bribery. We enforce a zero-tolerance policy against fraudulent and corrupt practices that could disrupt our business operations and impede our growth.

The Group raises awareness of our anti-corruption and business ethics standards with our employees through the Code of Ethical Conduct, which is published in all languages relevant to our workforce. Every employee must complete an annual declaration affirming their understanding and commitment to the Code of Ethical Conduct's standards on ethical practices, integrity, and anti-corruption.

The Corruption Prevention Policy and Framework ("**CPPF**") provides our employees with Anti-Corruption and Anti-Bribery Guidelines. These resources outline the reasonable actions and steps to ensure that members of the Group do not engage in any bribery activities. We have also implemented several policies, including the Conduct and Discipline Policy, the Conflict-of-Interest Policy, and the Whistle-Blowing Policy. These policies serve as essential reminders to all members of the organisation about the importance of proactively preventing, regulating, and reporting any illegal or unethical practices.

We upheld our record of zero incidents of bribery, extortion, fraud, or money laundering violations in FY26. We will remain vigilant in monitoring our practices and ensuring that our policies continue to be relevant and up to date.

PERFORMANCE IN FY26

- Achieved the target set for FY26, with the following performance:
- Recorded no incident of non-compliance with the relevant laws and regulations pertaining to corruption, bribery, extortion, fraud, and money laundering violations.

TARGETS FOR FY27

- To monitor our practices and ensure that our policies remain relevant and up to date.
- To maintain zero incidents of non-compliance with the relevant laws and regulations pertaining to corruption, bribery, extortion, fraud, and money laundering.

Sustainability Report

GRI CONTENT INDEX

Statement of use	UG Healthcare Corporation Limited has reported this information cited in this GRI Content Index for the period from 1 July 2025 to 30 June 2026 ("FY26") with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standards	Disclosure	Reference
GRI 2: General Disclosures 2021	2-1: Organisational details	Annual Report ("AR") – Company Profile, page 1
	2-2: Entities included in the organisation's sustainability reporting	Sustainability Report ("SR") – BOARD STATEMENT, page 17 to 18
	2-3: Reporting period, frequency and contact point	SR – BOARD STATEMENT, page 17 to 18
	2-4: Restatements of information	No restatement of information
	2-5: External assurance	SR - BOARD STATEMENT, page 17 to 18
	2-6: Activities, value chain, and other business relationships	AR – Letter to Shareholders, page 2 to 3 AR – Business Operations, page 4 to 8
	2-7: Employees	SR – SOCIAL: Employment, Diversity and Equal Opportunity, page 34 to 38
	2-9: Governance structure and composition	SR – SUSTAINABILITY GOVERNANCE, page 19 to 20 AR – Board of Directors, page 14 to 16 AR – Corporate Governance Report, page 48 to 77
	2-10: Nomination and selection of the highest governance body	AR – Corporate Governance Report, page 56 to 58
	2-15: Conflicts of interest	AR - Corporate Governance Report, page 48 to 49
	2-16: Communication of critical concerns	AR - Corporate Governance Report: Whistle blowing, page 73 SR - BOARD STATEMENT, page 17 to 18
	2-17: Collective knowledge of the highest governance body	AR - Corporate Governance Report, page 49
	2-18: Evaluation of the performance of the highest governance body	AR - Corporate Governance Report, page 63 to 64
	2-19: Remuneration policies	AR - Corporate Governance Report, page 64 to 66
	2-20: Process to determine remuneration	

Sustainability Report

GRI Standards	Disclosure	Reference
	2-22: Statement on sustainable development strategy	SR – BOARD STATEMENT, page 17 to 18
	2-23 Policy commitments	SR – BOARD STATEMENT, page 17 to 18 SR – SUSTAINABILITY GOVERNANCE, Stakeholder Engagement, page 20 to 23
	2-24 Embedding policy commitments	SR – SUSTAINABILITY GOVERNANCE, Materiality Assessment, page 23 to 24
	2-25 Processes to remediate negative impacts	AR – Corporate Governance Report, page 69 to 71
	2-26: Mechanisms for seeking advice and raising concerns	SR – SOCIAL: Employment, Diversity and Equal Opportunity, page 34 to 38 SR – SOCIAL: Occupational Health and Safety, page 38 to 39
	2-27: Compliance with laws and regulations	SR – GOVERNANCE: Regulatory Compliance, page 42
	2-28: Membership associations	SR – ECONOMIC: Customer Management, page 27
	2-29: Approach to stakeholder engagement	SR – SUSTAINABILITY GOVERNANCE: Stakeholder Engagement, page 20 to 23
GRI 3: Material Topics 2021	3-1: Process to determine material topics	SR – SUSTAINABILITY GOVERNANCE: Materiality Assessment, page 23 to 24
	3-2: List of material topics	
	3-3: Management of material topics	
GRI 102: Climate Change 2025	102-1: Transition plan for climate change mitigation	SR – ENVIRONMENTAL: Climate Change Resilience, page 33
	102-5: Scope 1 GHG emissions	SR – ENVIRONMENTAL: Resource Efficiency, page 29 to 30
	102-6: Scope 2 GHG emissions	
GRI 103: Energy 2025	103-2: Energy consumption and self-generation within the organisation	SR – ENVIRONMENTAL: Resource Efficiency, page 29 to 30
GRI 201: Economic Performance	201-1: Direct economic value generated and distributed	SR – ECONOMIC: Economic Performance, page 25 to 26
GRI 204: Procurement Practices 2016	204-1: Proportion of spending on local suppliers	SR – ECONOMIC Suppliers and Business Partners, page 28
GRI 205: Anti-corruption 2016	205-3: Confirmed incidents of corruption and actions taken	SR – GOVERNANCE: Anti-corruption, page 44
GRI 303: Water and Effluents 2018	303-3: Water withdrawal	SR – ENVIRONMENTAL: Resource Efficiency, page 29 to 30

Sustainability Report

GRI Standards	Disclosure	Reference
GRI 306: Waste 2020	306-2: Management of significant waste-related impacts	SR – ENVIRONMENTAL: Waste, page 31 to 32
	306-3: Waste generated	
GRI 401: Employment 2016	401-1: New employee hires and employee turnover	SR – SOCIAL: Employment, Diversity and Equal Opportunity, page 34 to 38
GRI 403: Occupational Health and Safety 2018	403-5: Worker training on occupational health and safety	SR – SOCIAL: Occupational Health and Safety, page 38 to 39
	403-9: Work related injuries	
GRI 404: Training & Education 2016	404-1: Average hours of training per year per employee	SR – SOCIAL: Skills Competency and Education, page 40 to 42
	404-3: Percentage of employees receiving regular performance and career development reviews	
GRI 405: Diversity and equal opportunity 2016	405-1: Diversity of governance bodies and employees	SR – SOCIAL: Employment, Diversity and Equal Opportunity, page 34 to 38
GRI 416: Customer Health and Safety 2016	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	SR – ECONOMIC: Customer Management, page 27
GRI 418: Customer Privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	SR – GOVERNANCE: Cybersecurity Risk Management and Data Privacy, page 43

Corporate Governance Report

UG Healthcare Corporation Limited (the “**Company**” or “**UG Healthcare**”) and its subsidiaries (collectively, the “**Group**”) are committed to maintaining a high standard of corporate governance in complying with the Code of Corporate Governance 2018 (the “**Code**”) which forms part of the continuing obligations of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (“**Catalist Rules**”).

This report outlines the Company’s corporate governance practices for the financial year ended 30 June 2026 (“**FY26**”), with specific references made to each of the principles and provisions of the Code and the accompanying practice guidance by the SGX-ST pursuant to Rule 710 of the Catalist Rules. The Company has generally adhered to the framework and complied with all principles outlined in the Code for FY26. Where there were deviations from the provisions of the Code, appropriate explanations have been provided in the relevant sections. The Company will also continue to enhance its corporate practices appropriate to the conduct and growth of its business and to review such practices from time to time and ensure compliance with the Catalist Rules.

BOARD MATTERS

Principle 1: The Board’s Conduct of its Affairs

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the company.

Provision 1.1 – Principal functions of the Board

The primary function of the Board of Directors (the “**Board**”) is to provide effective leadership and direction to enhance the long-term value of the Group to its shareholders and other stakeholders. The Board oversees the business affairs of the Group. The Board has the overall responsibility for reviewing the strategic plans and performance objectives, financial plans, key operating initiatives, major funding and investment proposals, financial performance reviews and corporate governance practices.

In addition, the principal duties of the Board include:

- Setting the Group’s strategic objectives and ensuring that the necessary financial and human resources are in place for the Group to meet its objectives.
- Overseeing the process for evaluating the adequacy of internal controls, risk management, financial reporting and compliance.
- Reviewing the performance of Management and overseeing succession planning for Management.
- Setting the Group’s values and standards (including ethical standards) and ensuring the obligations to shareholders and other stakeholders are understood and met.
- Considering sustainability issues as part of the strategic formulation.

Code of ethics and independent judgement

The Board adopted a set of ethical values and standards which establishes the fundamental principles of professional and ethical conduct expected of the Directors in the performance of their duties. Each Director is required to promptly disclose any conflicts or potential conflicts of interest, whether direct or indirect, in relation to any transaction or matter discussed and contemplated by the Group. Where a potential conflict of interest arises, the Director concerned will recuse himself from discussions and decisions involving the issue of conflict and refrain from exercising any influence over other members of the Board in respect of the issue. All Directors exercise due diligence and independent judgement and make decisions objectively in the best interests of the Group. The current members of the Board and their membership on the Board Committees of the Company are as follows:

Corporate Governance Report

	Directors	Board Appointments	Audit Committee	Nominating Committee	Remuneration Committee
1	Lee Jun Yih	Joint CEO, Executive Director and Finance Director	–	–	–
2	Lee Jun Linn	Joint CEO, Executive Director and Chief Operating Officer	–	–	–
3	Wong Fook Choy Sunny	Independent and Non-Executive Chairman	Member	Member	Chairman
4	Gillian Ng Lee Eng	Independent and Non-Executive Director	Chairman	Member	Member
5	Law Cheong Yan	Independent and Non-Executive Director	Member	Chairman	Member

Provision 1.2 – Directors’ induction, training and development

The Company ensures that incoming new Directors are given guidance and orientation (including onsite visits and meeting up with key management personnel, if necessary) to get them familiarised with the Group’s business, operations and corporate governance practices upon their appointment and to facilitate the effective discharge of their duties. Newly appointed Directors will be provided a formal letter setting out their duties and obligations and for those without prior experience as directors of a listed company in Singapore, they will undergo training and/or briefing on the roles and responsibilities as directors. Directors are encouraged to constantly keep abreast of developments in regulatory, legal and accounting frameworks that are of relevance to the Group through the extension of opportunities for participation in training courses, seminars and workshops as relevant and/or applicable. The Group has an open policy for professional training for all the Board members. The Company endorses the Singapore Institute of Directors (“**SID**”) training programs and sets a budget for such training and professional development programs. All Board members are encouraged to attend relevant training organised by the SID or any other organisation which provides relevant training courses for directors. The cost of such training will be borne by the Company.

Pursuant to Catalist Rules 406(3)(a), the Nominating Committee (“**NC**”) will ensure that any new director appointed by the Board, who has no prior experience as a director of an issuer listed on the SGX-ST, must undergo mandatory training in the roles and responsibilities of a director as prescribed by the SGX-ST.

During FY26, no new director was appointed.

Briefings and updates provided for Directors in FY26

The NC reviews and makes recommendations on training and professional development programs to the Board.

During the Audit Committee (“**AC**”) meetings, the Directors were briefed by the external auditors on the recent changes to the accounting standards and regulatory updates. The Joint CEOs update the Board during the Board meetings on the business and strategic developments of the Group. News releases issued by the SGX-ST and the Accounting and Corporate Regulatory Authority, including amendments of Companies Act and the Catalist Rules as well as updates on the Code, were circulated to the Board. Management keeps the Board informed of business trends in the industry by circulating to the Board articles, reports and press releases relevant to the Group’s business.

In addition, all Board members have completed the mandated sustainability training course required under the Catalist Rules.

Corporate Governance Report

Provision 1.3 – Matters requiring Board’s approval

Matters specifically reserved for the Board’s approval are listed below:

- Strategies and objectives of the Group;
- Announcement of interim and full year financial results and release of annual reports;
- Issuance of shares;
- Declaration of interim dividends and proposal of final dividends;
- Convening of shareholders’ meetings;
- Material investments, divestments or capital expenditure;
- Commitments to term loans and lines of credits from banks and financial institutions;
- Interested person transactions; and
- The appointment, re-appointment (where applicable) and remuneration packages of the Directors and key management personnel.

Clear directions have been imposed on management that the above matters must be approved by the Board.

Provision 1.4 - Delegation by the Board

The Board has delegated certain functions to the Board Committees, namely the AC, NC and Remuneration Committee (“**RC**”). Each of the board committees has its own written terms of reference and whose actions are reported to and monitored by the Board. The Board accepts that while these board committees have the authority to examine particular issues and will report back to the Board with their decisions and/or recommendations, the ultimate responsibility on all matters lies with the Board.

More details on each of the Board Committees, including the names of the committee members, the terms of reference, any delegation of the Board’s authority to make decisions and a summary of their activities, are set out in the respective sections of this report.

Corporate Governance Report

Provision 1.5 – Board meetings, attendance and multiple commitments

The dates of Board and Board Committee meetings as well as annual general meetings (“**AGM**”) are scheduled in advance. To assist Directors in planning their attendance, the Company Secretary consults every Director before fixing the dates of these meetings. The Board will meet at least two times a year and as warranted by particular circumstances. Ad hoc meetings are also convened to deliberate on urgent substantive matters. Telephonic attendance and conference via audio-visual communication at Board and Board Committee meetings are allowed under the Company’s Constitution. Details on the number of Board and Board Committee meetings held in the financial year as well as the attendance of each board member at those meetings are disclosed below.

Directors’ attendance at Board and Board Committee meetings in FY26

Directors	Board		Audit Committee		Nominating Committee		Remuneration Committee		AGM for FY2025	
	No. of Meetings Held ⁽¹⁾	No. of Meetings Attended	No. of Meetings Held ⁽¹⁾	No. of Meetings Attended	No. of Meetings Held ⁽¹⁾	No. of Meetings Attended	No. of Meetings Held ⁽¹⁾	No. of Meetings Attended	No. of Meetings Held ⁽¹⁾	No. of Meetings Attended
Lee Jun Yih	2	2	3	3 ⁽²⁾	1	1 ⁽²⁾	2	2 ⁽²⁾	1	1
Lee Jun Linn	2	2	3	3 ⁽²⁾	1	1 ⁽²⁾	2	2 ⁽²⁾	1	1
Law Cheong Yan	2	2	3	3	1	1	2	2	1	1
Gillian Ng Lee Eng	2	2	3	3	1	1	2	2	1	1
Wong Fook Choy Sunny	2	2	3	3	1	1	2	2	1	1

(1) Represents the number of meetings held as applicable to each individual director.

(2) Attendance at meetings on a “By Invitation” basis.

Multiple Directorships

All Directors are required to declare their board appointments. When a director has multiple board representations, the NC will consider whether the director is able to adequately carry out his/her duties as a director of the Company, taking into consideration the director’s number of listed company board representations and other principal commitments. The NC has reviewed and is satisfied that notwithstanding multiple board appointments, the Directors have been able to devote sufficient time and attention to the affairs of the Company to adequately discharge their duties as Director of the Company. Please refer to Principle 4 below for further disclosure in relation to multiple board representations.

Corporate Governance Report

Provision 1.6 – Access to information

Each Director is given access to the Board resources, including the Company's constitutional and governing documents, terms of references of the Board and the Board Committees, the Group's policy, Annual Reports, Board meeting papers and other pertinent information for his/her reference. Management ensures that all Directors are furnished on an on-going basis with relevant, complete, adequate and timely information concerning the Company, to enable them to make informed decisions and discharge their duties and responsibilities. Prior to each Board meeting, board papers and files are circulated for each meeting and the Board is provided with relevant background or explanatory information relating to the business of the meeting and information on major operational, financial and corporate issues. This is to give the Directors sufficient time to review and consider the matters being tabled and/or discussed. Any other matters may also be tabled at the Board meeting and discussed without papers being distributed. The business/projects updates with information on financial, operating and corporate issues, the explanations on the financial information, and the rationale for the key decisions taken by the Management may also be made in the form of presentations by the Management in attendance at the meetings. The Directors are entitled to request additional information as needed to make informed decisions. The Management is invited to attend Board meetings to provide additional insights into matters being discussed, and to respond to any queries that the Directors may have.

Provision 1.7 – Access to Management and Company Secretary

The Directors have separate and independent access to the Management, and the Company Secretary and where it is necessary for the Directors to seek independent professional advice to effectively discharge their duties, the Directors can, whether as a group or individually, seek the requisite advice at the Company's expense.

The Company Secretary is responsible for, among other things, ensuring that the Board's procedures are observed and the Company's Constitution, relevant rules and regulations, including requirements of the Securities and Futures Act, Companies Act and Catalist Rules, are complied with. The Company Secretary also assists the Chairman and the Board in implementing and strengthening corporate governance practices and processes, with a view to enhancing long-term shareholder value, as well as assisting the Chairman in ensuring good information flows within the Board and its Board Committees and between Management and the Independent and Non-Executive Directors.

The Company Secretary or her representative attends and prepares minutes for all Board and Board Committee meetings. As secretary for all Board Committees, the Company Secretary assists in ensuring coordination and liaison between the Board, the Board Committees and Management. The Company Secretary assists the Chairman of the Board, the Chairman of Board Committees and Management in the development of the agendas for the various Board and Board Committee meetings.

The appointment and the removal of the Company Secretary is subject to the Board's approval.

Corporate Governance Report

Principle 2: Board Composition and Guidance

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

Provision 2.1 – Board Independence

Provision 2.2 – Majority independent Directors where Chairman is not independent

Provision 2.3 – Majority non-executive Directors in a Board

The Board comprises five (5) Directors, of which two (2) are Executive Directors, and three (3) are Independent and Non-Executive Directors. The Chairman of the Board is independent.

As Independent and Non-Executive Directors form the majority of the Board, the Board is of the view that there is a sufficiently strong independent element to provide appropriate checks and balances, and to ensure that no individual or group of individuals is able to dominate the Board's decision-making process. This is in compliance with Rule 406(3)(c) of the Catalyst Rules and Provisions 2.2 and 2.3 of the Code of Corporate Governance.

Provision 2.4 – Board composition and diversity

The Board is committed that a diverse Board will help improve the overall performance and operational capability of the Company, ensuring that the decisions made by the Board have been considered from a range of viewpoints. The Board has adopted a Board Diversity Policy and the measurable objectives identified include:

1. In designing the Board's composition, Board diversity has been considered from a wide range of aspects, including but not limited to age, gender, cultural and educational background, ethnicity, professional experience, skills, knowledge and length of service, and any other factors that the Board may consider relevant and applicable from time to time. Directors with technical, legal, financial, Management and audit background will provide various extensive business experiences to the Company. High emphasis is placed on ensuring a balanced composition of skills and experience at the Board level in order to provide a range of perspectives, insights and challenges that enable the Board to discharge its duties and responsibilities effectively, support good decision making in view of the core businesses and strategy of the Group, and support succession planning and development of the Board.
2. For achieving an optimal Board, additional measurable objectives/specific diversity targets may be set and reviewed from time to time to ensure their appropriateness. Such factors will be considered by the Company based on its business model and specific needs and the ultimate decision will be based on merit, value and contribution that the selected candidates will bring to the Board.
3. The Board is of the view that, while it is important to promote boardroom diversity in terms of gender, age and ethnicity, the normal selection criteria based on an effective blend of competencies, skills, extensive experience and knowledge to strengthen the Board should remain a priority. In addition to ensuring a balanced composition of skills and experience at the Board, the Board has deliberated the following:
 - (a) Gender diversity

The Company does not set any specific target for female Directors in the Board. The Company is committed to maintaining an environment of respect for people regardless of their gender in all business dealings and achieving a workplace environment free of harassment and discrimination on the basis of gender, physical or mental state, ethnicity, nationality, religion, age or family status. The same principle is applied to the selection of potential candidates for appointment to the Board in order to attract and retain women participation on the Board. As at date of this Report, the Board comprises of one female Director, Ms. Gillian Ng Lee Eng, who was appointed on 1 December 2023.

Corporate Governance Report

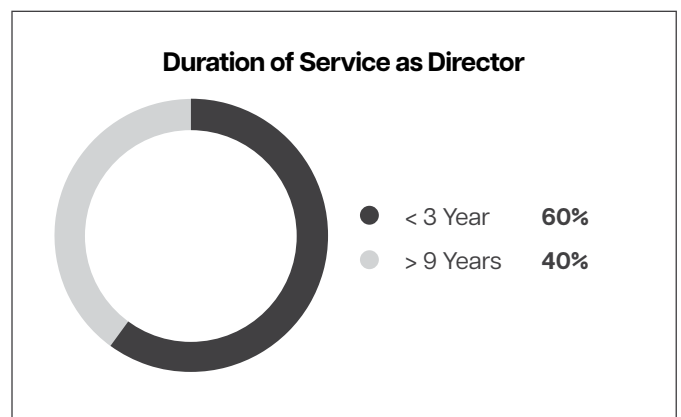
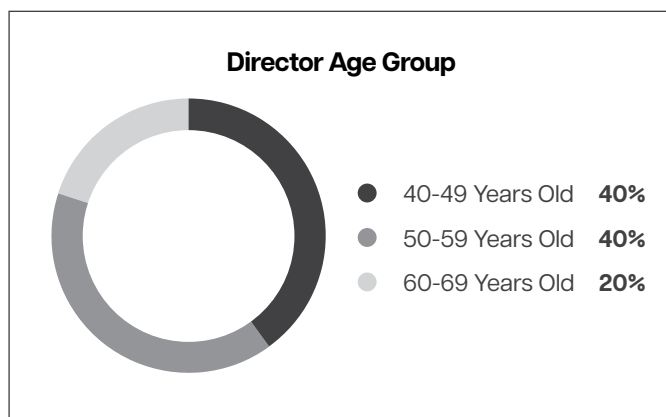
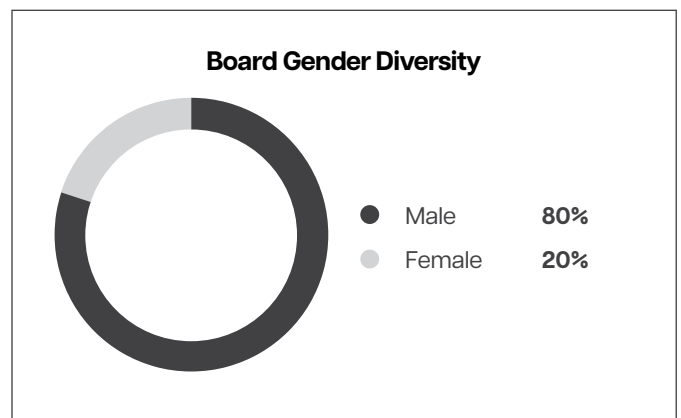
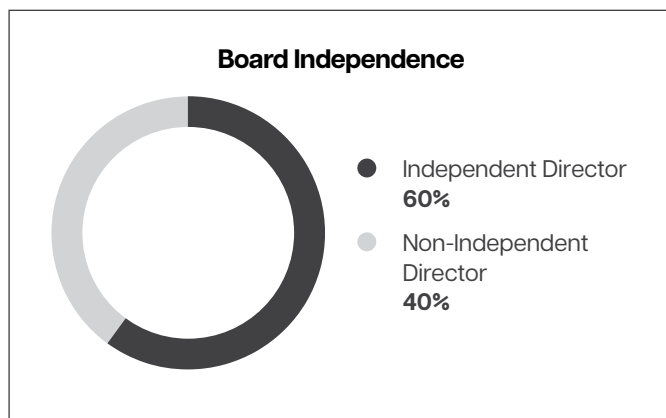
(b) Age diversity

The Company does not set any specific target for the boardroom age diversity but will work towards having appropriate age diversity in the Board, if opportunity arises. The Company does not fix age limit for its Directors given that such Directors are normally reputed and experienced in the corporate world and could continue to contribute to the Board in steering the Company. The Board is fully committed to promoting age, diversity, valuing the contribution of its members regardless of age, and seek to eliminate age stereotyping and discrimination on age; and

(c) Ethnic diversity

The Company does not set any specific target for ethnic diversity in the boardroom but will work towards having appropriate ethnic diversity in the Board, if opportunity arises.

Details of the Board Composition as of the date of this Report are as follows:



Corporate Governance Report

The Company is committed to implementing the Board Diversity Policy and will review this Policy periodically to ensure its effectiveness and alignment with best practice and the requirements of the Code, or as amended from time to time, and any other relevant legislation. Any progress made towards the implementation of this Policy will be disclosed in future Corporate Governance Reports of the Company, as appropriate.

The NC is tasked to determine on an annual basis and as and when the circumstances require whether or not a Director is independent, bearing in mind the guidelines set forth in the Code and any other salient factor which would render a Director to be deemed not independent. The NC has reviewed, determined and confirmed the independence of the Independent Directors. More details are set out under Principle 4 of the Code.

Taking into account the nature and scope of the Group's business and the composition of Board Committees, the Board believes that the current size and composition of Board provide sufficient diversity without interfering with efficient decision making.

Pursuant to Rule 406(3)(d)(iv) of the Catalist Rules, a director of the issuer for an aggregate period of more than 9 years will no longer be deemed independent. As at the date of this Report, there is no independent director who has served for an aggregate period nine or more years from the date of his/her first appointment.

The Independent Directors make up at least one-third of the Board, which meets the requirements set out in the Code and Rule 406(3)(c) of the Catalist Rules. This provides a strong and independent element on the Board which is fundamental to good corporate governance as it facilitates the exercise of independent and objective judgement on corporate affairs. It also ensures that key issues and strategies are critically reviewed, constructively challenged, fully discussed and thoroughly examined.

Provision 2.5 – Non-Executive Directors and Independent Directors meet regularly

The Independent and Non-Executive Directors communicate regularly to discuss matters such as Group's financial performance and corporate governance measures and provide constructive advice and guidance on directions in relation to the Group's business strategies. They also review performance of the Management in achieving agreed goals and objectives and monitor the reporting of performance. Where necessary, the Independent and Non-Executive Directors meet and discuss on the Group's affairs without the presence of the Management.

Principle 3: Chairman and Chief Executive Officer

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

Provision 3.1 – Separation of the role of the Chairman and the Joint CEOs

The Chairman of the Board and the Joint CEOs are separate persons to ensure an appropriate balance of power, increased accountability and greater capacity for independent decision making.

Corporate Governance Report

Provision 3.2 – Role of the Chairman and the Joint CEOs

Mr. Wong Fook Choy Sunny, is an Independent and Non-Executive Director and also the Chairman of the Board. He assumes the responsibility for the smooth functioning of the Board and ensures timely flow of information between the Management and the Board; sets the agenda and ensures that adequate time is available for discussion of all agenda items, in particular strategic issues; promotes a culture of openness and debate at the Board; ensures effective communication with shareholders; facilitates the effective contribution of Non-Executive Directors in particular; and promotes high standards of corporate governance.

Mr. Lee Jun Yih and Mr. Lee Jun Linn as the Joint CEOs and Executive Directors of the Company, are responsible for running the day-to-day business of the Group; ensuring implementation of policies and strategy across the Group as set by the Board; manages the Management team; and leads the development of the Group's future strategy including identifying and assessing risks and opportunities for the growth of its business and reviewing the performance of its existing business.

Provision 3.3 – Lead Independent Director

There is a sufficiently strong independent element on the Board to enable independent exercise of objective judgement on affairs and operations of the Group by members of the Board, taking into account factors such as the number of Independent Directors on the Board as well as the contributions made by each member at meetings which relate to the affairs and operations of the Group. The Board is satisfied that a clear division of responsibilities between the leadership of the Board and the executives responsible for managing the Group's business and no one individual should represent a considerable concentration of power.

No Lead Independent Director has been appointed to the Board as the Chairman is independent.

All the Board Committees are chaired by Independent Directors and majority of the Board consists of Independent Directors.

Principle 4: Board Membership

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

Provision 4.1 – Role of the NC

Provision 4.2 – Composition of the NC

The NC consists of three (3) members: all of whom including the NC Chairman, are independent

Mr. Law Cheong Yan	–	Chairman
Ms. Gillian Ng Lee Eng	–	Member
Mr. Wong Fook Choy Sunny	–	Member

The NC, which has written terms of reference, is responsible for making recommendations to the Board on all board appointments and re-appointments. The key terms of reference of the NC include the following:

- review the size, structure and composition of the Board;
- identify, review and recommend candidates to the Board including the appointment of alternate directors, if any, Board Committee members, CEO, deputy CEO, Finance Director/Chief Financial Officer ("CFO") and key Management;
- recommend to the Board re-nominations of existing directors for re-election in accordance with the Company's Constitution, taking into account the Director's competencies, commitment, contribution and performance;
- establish a process for the selection, appointment and re-appointment of Directors;

Corporate Governance Report

- review and approve any new employment of employees related to the Directors, substantial shareholders of the Company or related persons, including the proposed terms of such employment;
- undertake board succession plans for Directors, in particular, the Chairman and the Joint CEOs;
- determine annually whether or not a Director is independent;
- in respect of a Director who has multiple board representations on various companies, if any, to review and decide whether or not such Director is able to and has been adequately carrying out his duties as a Director, having regard to the competing time commitments that are faced by the director when serving on multiple boards and discharging his duties towards other principal commitments;
- review training and professional development programs for the Board;
- make recommendation to the Board in determining the maximum number of listed company board representations which any Director may hold, and disclose this in the Company's annual report;
- decide whether or not a Director is able to and has been adequately carrying out his/her duties as a director;
- develop a process for evaluating the performance of the Board, its Board Committees and Directors by setting objective performance criteria for the Board and implementing such process for assessing the effectiveness of the Board as a whole and assessing the contribution of each individual Directors to the effectiveness of the Board; and
- ensure complete disclosure of key information of Directors in the Company's annual report as required under the Code, as amended from time to time.

Provision 4.3 - Board Renewal

The NC has in place formal, written procedures for making recommendations to the Board on the selection and appointment of Directors. Such procedures would be activated when a vacancy on the Board arises or when the Board is considering making a new Board appointment either to enhance the core competency of the Board or for purpose of progressive renewal of the Board.

In identifying suitable candidates, the NC may:

1. advertise or use the services of external advisers to facilitate a search;
2. approach alternative sources such as the SID; or
3. consider candidates from a wide range of backgrounds from internal or external sources.

After short listing the candidates, the NC shall:

- (a) consider and interview all candidates on merit against objective criteria, taking into consideration that appointees have enough time available to devote himself or herself to the position; and
- (b) evaluate and agree to a preferred candidate for recommendation to and appointment by the Board.

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Provision 4.4 - Independence review of Directors

The NC reviews the independence of each Director annually, and as and when circumstances require.

Annually, each Independent Director is required to complete a Director's Independence Checklist (the "**Checklist**") to confirm his/her independence. The Checklist is drawn up based on the guidelines provided in the Code. Thereafter, the NC reviews the Checklist completed by each Independent Director, assesses the independence of the Independent Directors and recommends its assessment to the Board.

As set out under the Code, an Independent Director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement in the best interests of the Company. The NC assesses and reviews annually the independence of a director bearing in mind the salient factors as set out under the Code, the Catalist Rules as well as all other relevant circumstances and facts. The Independent Directors must also confirm whether they consider themselves independent despite not having any relationship identified in the Code.

The NC is of the view that Mr. Wong Fook Choy Sunny, Mr. Law Cheong Yan and Ms. Gillian Ng Lee Eng are independent on the following basis:

- (a) The Independent Directors: (i) are not employed by the Company or any of its related corporations for the current or any of the past 3 financial years; and (ii) do not have an immediate family member who is employed or has been employed by the Company or any of its related corporations for the past 3 financial years, and whose remuneration is determined by the RC.
- (b) None of the Independent Directors have served on the Board for more than 9 years.
- (c) None of the Independent Directors and their immediate family member had in the current or immediate past financial year (i) provided or received significant payments or material services aggregated over any financial year in excess of S\$50,000 for services other than compensation for board service; or (ii) was a substantial shareholder, partner, executive officer or a director of any organisation which provided or received significant payments or material services aggregated over any financial year in excess of S\$200,000 for services rendered.
- (d) None of the Independent Directors are directly associated with a substantial shareholder of the Company in the current or immediate past financial year.

The NC is responsible for re-appointment of Directors. In its deliberations on the re-appointment of existing Directors, the NC takes into consideration the Director's contribution and performance.

Pursuant to Rule 720(4) of the Catalist Rules, the Company must have all Directors submit themselves for re-nomination and re-appointment at least once every three years. Regulation 104 of the Company's Constitution provides that one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not greater than one-third) shall retire from office by rotation while Regulation 108 provides that any Director so appointed shall hold office until the next AGM and be eligible for re-election at the Company's AGM. Mr. Lee Jun Linn shall retire pursuant to Regulation 104 of the Company's Constitution at the Company's forthcoming AGM and shall be eligible for re-election.

The NC is satisfied that Mr. Lee Jun Linn, retiring at the forthcoming AGM, is properly qualified for re-appointment by virtue of their skills, experience and their contribution of guidance and time and recommended to the Board that the retiring Directors be nominated for re-election.

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The requirements as required under Rule 720(5) (information as set out in Appendix 7F) of the Catalyst Rules are stipulated in the table below:

Name of Person	Lee Jun Linn
Date of Appointment	20 November 2014
Date of last re-appointment (if applicable)	29 October 2024
Age	41
Country of principal residence	Malaysia / Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity and the search and nomination process)	Having considered the contributions and experience of Mr. Lee Jun Linn and based on the recommendation of the Nominating Committee, the Board proposes to the Company's shareholders to approve the re-election of Mr. Lee Jun Linn as Director of the Company.
Whether appointment is executive, and if so, the area of responsibility	Mr. Lee Jun Linn is the Joint CEO, Executive Director and COO of the Company. He is responsible for formulating the Group's overall business and corporate policies and strategies, and overseeing and managing the Group's business and corporate development together with his brother, Mr. Lee Jun Yih, the other Joint CEO, Executive Director and Finance Director. As COO, he also oversees and manages the Group's sales, marketing and distribution platforms, including the development of marketing strategies and expansion of the Group's global distribution network.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Joint CEO, Executive Director and COO of the Company
Professional qualifications	- Bachelor of Science (Economics) from University College London - Master of Science (International Management (China)) Degree from the School of Oriental & African Studies in London
Working experience and occupation(s) during the past 10 years	Mr. Lee Jun Linn has been working for the Group since April 2008 and was subsequently appointed as the Joint CEO, Executive Director, and COO of the Company on 1 March 2025, 20 November 2014 and 21 October 2020, respectively.
Shareholding interest in the listed issuer and its subsidiaries	Directly interested in 2,217,089 ordinary shares, representing 0.36% shareholding of the Company. Deemed interested in 374,729,122 shares through Zen UG Pte Ltd and Raydion Direct Global Inc., representing 60.07% shareholdings of the Company.

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Name of Person

Lee Jun Linn

Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr. Lee Jun Linn is the son of Madam Sim Ai Cheng (substantial shareholder of the Company). He is also the brother of Mr. Lee Jun Yih (Joint CEO, Executive Director, Finance Director and a substantial shareholder of the Company).
Conflict of interest (including any competing business)	Nil
Undertaking (in the format set out in Appendix 7H) under Rule 720(1) has been submitted to the listed issuer	Yes
Past (for the last 5 years)	Nil
Present	Within the Group: 1. Unigloves (Singapore) Pte. Ltd. 2. UGHC Marketing Pte. Ltd. 3. N.S. Uni-Gloves Sdn Bhd 4. UG Global Resources Sdn Bhd 5. UG Glovetech Sdn Bhd 6. UG Engineering Sdn Bhd 7. UG Healthcare Sdn Bhd 8. Indigo Teguh Sdn Bhd 9. Unigloves Shanghai Co., Ltd 10. Unigloves Suzhou Co Ltd 11. Unigloves Chengdu Co Ltd 12. Unigloves (UK) Limited 13. Unigloves GmbH 14. UG Healthcare (USA) Inc. Other Companies: 15. Zen UG Pte. Ltd. 16. Raydion Direct Global Inc
(a) Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
(b) Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No

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Name of Person

Lee Jun Linn

(c) Whether there is any unsatisfied judgment against him? No

(d) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose? No

(e) Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach? No

(f) Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part? No

(g) Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust? No

(h) Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust? No

(i) Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity? No

(j) Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of :—

Corporate Governance Report

Name of Person

Lee Jun Linn

(i)	any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No
(ii)	any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or	No
(iii)	any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No
(iv)	any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No
in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?		
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No

There is currently no alternate Director on the Board.

Each member of the NC abstains from voting on any resolutions and making any recommendation and/or participating in discussion on matters in which he is interested.

Key information on the Director's particulars and backgrounds can be found on pages 14 to 16 of the Annual Report, while information on the Directors' shareholding in the Company can be found on page 79 of the Annual Report.

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Provision 4.5 – Directors’ time commitments

The NC has adopted internal guidelines addressing competing time commitments that are faced when Directors serve on multiple boards. The guidelines provide that, as a general rule, each Director should hold no more than five listed company board representations.

The NC determines annually whether a Director with multiple board representations and/or other principal commitments is able to and has been adequately carrying out his duties as a Director of the Company. The NC takes into account the respective Directors’ actual conduct on the Board, in making this determination.

None of the Directors, save for Mr. Wong Fook Choy Sunny and Ms. Gillian Ng Lee Eng, have multiple listed company board representation.

Mr. Wong Fook Choy Sunny is an independent director of KSH Holdings Limited, a company listed on the Mainboard of the SGX-ST and Ms. Gillian Ng Lee Eng is an independent director of Medi Lifestyle Ltd., a company listed on the Catalist Board of the SGX-ST.

The NC has reviewed and considered Mr. Wong Fook Choy Sunny’s and Ms. Gillian Ng Lee Eng’s directorship in the listed company, as well as all their other principal commitments, and is satisfied that Mr. Wong Fook Choy Sunny and Ms. Gillian Ng Lee Eng have been able to devote sufficient time and attention to the affairs of the Group to adequately discharge their duties as Directors of the Company. The NC is of the view that each Director’s directorships is in line with the Company’s guideline of a maximum of five listed company board representations and that each Director has discharged his/her duties adequately.

Principle 5: Board Performance

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual directors.

Provision 5.1 and 5.2 – Board Evaluation Process

A review of the Board’s and Board Committees’ performance and the individual Director’s performance is conducted by the NC annually. On the recommendation of the NC, the Board has adopted an internal process for evaluating the effectiveness of the Board as a whole and the respective Board Committees, and the contribution of each Director to the effectiveness of the Board. Each Board member will be required to complete an appraisal form to be returned to the NC Chairman for evaluation. Based on the evaluation results, the NC Chairman will present his recommendations to the Board. The key objective of the evaluation exercise is to obtain constructive feedback from the Directors to continually improve the Board’s performance.

In evaluating the Board’s and Board Committees’, and individual Director’s performance, the NC considers a set of quantitative and qualitative performance criteria that has been approved by the Board.

The performance criteria for the Board and Board Committee’s evaluation are in relation to:-

- a. Board structure
- b. Board process and accountability
- c. Access to information
- d. Performance monitoring
- e. Risk management and internal control
- f. Compensation
- g. Communication with shareholders

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The individual Director's performance criteria is in relation to the Director's:

- a. Duties including attendance at board meetings, meeting preparation, participation in related activities
- b. Interactive skill
- c. Contribution of knowledge such as industry or professional expertise, specialist or functional contribution

The Board has not engaged any external consultant to conduct an assessment of the performance of the Board and each individual Director. Where relevant, the NC will consider such an engagement.

The NC has assessed the performance of the Board, and each individual Director for FY26 and is of the view that the performance of the Board as a whole and each individual Director was satisfactory.

REMUNERATION MATTERS

Principle 6: Procedures for Developing Remuneration Policies

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

Provision 6.1 and 6.2 – Composition of the RC

Provision 6.3 – Remuneration framework

Provision 6.4 – Remuneration consultant

The RC consists of three (3) members, all of whom including the RC Chairman, are independent:

Mr. Wong Fook Choy Sunny	–	Chairman
Mr. Law Cheong Yan	–	Member
Ms. Gillian Ng Lee Eng	–	Member

The RC is responsible for ensuring a formal and transparent procedure for developing policies on executive remuneration, and for fixing the remuneration packages of individual Directors and key management personnel.

The members of the RC carried out their duties in accordance with the terms of reference which include the following:

- recommend to the Board a general framework of remuneration for the Board and key management personnel;
- review and recommend to the Board the specific packages for each Director as well as key management personnel;
- review annually the remuneration packages (including remuneration, bonuses, pay increases or promotions) of the employees of the Group who are immediate family members of or related to a Director or Joint CEOs or substantial shareholders of the Company so as to ensure that their remuneration packages are in line with the Group's staff remuneration guidelines and commensurate with their respective job scopes and level of responsibilities;
- review all aspects of remuneration of the Board and key management personnel, including but not limited to director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, and benefits in kind;
- in seeking expert advice in/or outside the Company on Director's remuneration, the RC shall ensure that existing relationships, if any, between the Company and its appointed remuneration consultants will not affect the independence and objectivity of the remuneration consultants; and

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- in reviewing and making recommendations for remuneration for the Board and key management personnel, the RC shall consider:
 - level and structure of remuneration should be aligned with the long-term interest and risk policies of the Company, and should be appropriate to attract, retain and motivate (a) the directors to provide good stewardship of the Company, and (b) key management personnel to successfully manage the Company;
 - the use of long-term incentive schemes for Executive Directors and key management personnel;
 - that the remuneration of Non-Executive Directors should be appropriate to the level of contribution, taking into account factors such as effort and time spent, and responsibilities of the Directors. Non-Executive Directors should not be overcompensated to the extent that their independence may be compromised. The RC should also consider implementing schemes to encourage Non-Executive Directors to hold shares in the Company so as to better align the interests of such Non-Executive Directors with the interests of shareholders;
 - the use of contractual provisions to allow the Company to reclaim incentive components of remuneration from Executive Directors and key management personnel in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company; and
 - the Company's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service, to ensure that such contracts of service contain fair and reasonable termination clauses which are not overly generous. The Company should aim to be fair and avoid rewarding poor performance.

The Company had on 29 October 2024 adopted a share option scheme known as the 2024 Unigloves Employee Share Option Scheme (the “**2024 Unigloves ESOS**”) and a share scheme known as the 2024 Unigloves Performance Share Plan (the “**2024 Unigloves PSP**”). The RC's duties also include the administration of the 2024 Unigloves ESOS and 2024 Unigloves PSP.

2024 Unigloves ESOS

The aggregate number of shares to be issued pursuant to the 2024 Unigloves ESOS, when aggregated to the aggregate number of shares issued and issuable or transferred and to be transferred in respect of all options or awards under any other share option schemes or share schemes, shall not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares), on the day immediately preceding the date on which an offer to grant an option is made.

On 16 February 2024, the Company granted to the employees (excluding directors, controlling shareholders or their associates) 2,750,000 share options pursuant to the 2014 Unigloves Employee Share Option Scheme (the “**2014 Unigloves ESOS**”), which expired on 10 November 2024. The share options granted are vested equally over three (3) years, first year of vesting being after two (2) years from the date of grant. As at 30 June 2026, the 2,750,000 share options remain outstanding and have not been exercised. The exercise price of the options granted was S\$0.1003 for each share, being a discount of 20% to the average of the last dealt prices of the Company's shares on the SGX-ST over the five (5) consecutive trading days immediately preceding the date of grant of options. The exercise price was at a discount to the market price of the shares on the date of grant, being S\$0.128 per share.

No share options were granted during FY26 pursuant to the 2024 Unigloves ESOS.

No participant received 5% or more of the total number of share options under the 2014 and 2024 Unigloves ESOS.

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2024 Unigloves PSP

The aggregate number of shares to be issued pursuant to the awards granted under the 2024 Unigloves PSP, when aggregated with the aggregate number of shares over which options are granted under any other share option schemes, shall not exceed fifteen percent (15%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) from time to time. During FY26 there were no awards granted pursuant to the 2024 Unigloves PSP.

The RC from time to time and where necessary will seek advice from the external remuneration consultant in framing the remuneration policy and determining the level and mix of remuneration for Directors and key management personnel. The RC did not seek the service of an external remuneration consultant in FY26.

None of the members of the RC or any Director is involved in deliberations in respect of any remuneration, compensation or any form of benefits to be granted to him.

Principle 7: Level and Mix of Remuneration

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Provision 7.1 – Remuneration of Executive and Key Management

As part of its review, the RC ensures that the Directors and key management personnel are adequately but not excessively remunerated as compared to industry benchmarks and other comparable companies. The RC also takes into consideration the Group's relative performance and the performance of individual Directors and key management personnel. The Executive Directors are paid a basic salary and entitled to a discretionary bonus.

Key management personnel are paid basic salary and variable bonus. The variable bonus varies according to the Group's performance objectives. The allocation will also be based on the individual performance and their contributions towards the Group's performance.

The Company had entered into separate service agreement ("**Service Agreements**") with Mr. Lee Jun Yih and Mr. Lee Jun Linn, in their capacities as Joint CEO, Executive Director and Finance Director, and as Joint CEO, Executive Director and COO respectively, for an initial period of three (3) years from 11 December 2020. The Service Agreements are renewable thereafter unless otherwise terminated by either party giving not less than six (6) months' notice in writing to the other.

Pursuant to the terms of the Service Agreements, the Executive Directors are entitled to a discretionary bonus to be recommended and determined by the RC. The compensation package, including changes to annual salary and/or the inclusion of suitable profit-sharing terms, may be adjusted as the RC may, determine from time to time.

In connection with the appointments as Joint CEOs for Mr. Lee Jun Yih and Mr. Lee Jun Linn, the Company entered into revised appointment letters dated 27 March 2026, setting out the updated terms of their roles and remuneration structure, which took effect from 1 April 2026.

The Company has also entered into separate employment contracts with the key management personnel which provides for remuneration payable to them, annual leave entitlement and termination arrangements.

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Provision 7.2 – Remuneration of Non-Executive Directors

The RC also ensures that the remunerations of the Non-Executive Directors are appropriate to their level of contribution taking into account factors such as efforts and time spent, and their roles and responsibilities at the respective Board Committees. Non-Executive Directors receive a basic fee for their services. The RC ensures that the Independent and Non-Executive Directors should not be over-compensated to the extent that their independence may be compromised.

All revisions to the remuneration packages for the Directors and key management personnel are subject to the review by and approval of the RC and the Board. Directors' fees are further subject to the approval of the shareholders at the AGM.

Provision 7.3 – Remuneration appropriately structured to link to long-term performance

The Company believes in aligning its level and structure of remuneration with the interests of shareholders to promote the long-term success of the Company. To initiate this, the 2024 Unigloves ESOS and 2024 Unigloves PSP have been adopted to link rewards to eligible employees including Group Employees (including Executive Directors) and Non-Executive Directors (including independent directors) based on corporate and individual performance and align their interests with those of shareholders.

Typically the total remuneration mix available comprises annual fixed salary in cash, annual performance-related variable bonus in cash, and the 2024 Unigloves ESOS and 2024 Unigloves PSP where appropriate.

Having reviewed and considered the variable components of the remuneration packages for the Directors and key management personnel, which are moderate, the RC is of the view that there is no need to institute contractual provisions to allow the Company to reclaim incentive components in exceptional circumstances of misstatement of financial results, or misconduct resulting in financial loss or fraud by key management personnel.

Principle 8: Disclosure of Remuneration

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Provision 8.1 – Disclosure of remuneration

Provision 8.2 – Remuneration of related employees

Provision 8.3 – Forms of remuneration and details of employee share schemes

The Code recommends that companies fully disclose the name and remuneration of each Director and the Joint CEOs.

The breakdown of the remuneration of the directors for FY2026 is as follows:

Director	Salary S\$	Bonus S\$	Fees S\$	Other Benefits S\$	Profit Sharing S\$	Total S\$
Mr. Lee Jun Yih	280,000	–	–	15,708	204,000	499,708
Mr. Lee Jun Linn	280,023	–	–	17,740	204,000	501,763
Mr. Law Cheong Yan	–	–	35,000	–	–	35,000
Ms. Gillian Ng Lee Eng	–	–	40,000	–	–	40,000
Mr. Wong Fook Choy Sunny	–	–	45,000	–	–	45,000

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The Company only has one (1) key management personnel (who is not a Director or the Joint CEO) during FY26. The Board is of the opinion that it is not in the best interest of the Company to disclose the exact details of the key management personnel due to competitiveness of the industry for key talent and increase risk of poaching by other competitors in the market. The table below provides a breakdown, showing the level and mix of remuneration of each of the key management personnel (who is not a Director or the Joint CEO) for FY26:

Remuneration Band and Name of Key Executive	Salary %	Bonus %	Fees %	Other Benefits %	Total %
Up to S\$250,000					
Ms. Wong Pek Wee	72	6	2	20	100

There was no employee who is an immediate family member of a Director, the Joint CEOs or substantial shareholder whose remuneration exceeded S\$100,000 in FY26.

There are no termination, retirement and post-employment benefits that may be granted to the Directors, the Joint CEOs or the key management personnel.

The Board believes that there is sufficient transparency on the Company's remuneration policies, level and mix of remuneration, the procedure for setting remuneration and the relationships between remuneration, performance and value creation are consistent with the intent of Principle 8 of the Code.

ACCOUNTABILITY AND AUDIT

Principle 9: Risk Management and Internal Controls

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its shareholders.

Provision 9.1 – Nature and extent of significant risks

The Board, with the assistance from the AC, is responsible for the governance of risk by ensuring that Management maintains a sound system of risk management and internal controls to safeguard shareholders' interests and the Group's assets and determines the nature and extent of the significant risks which the Board is willing to take in achieving its strategic objectives.

The AC is responsible for making the necessary recommendations to the Board to form and provide an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group in the annual report of the Company according to the requirements of the Catalist Rules and the Code.

The Company has engaged IA Essential Pte Ltd, an internal audit consulting firm ("**Internal Auditors**") to perform the internal audit reviews. The Internal Auditors carry out their internal audits with reference to the principles of the International Professional Practice Framework of the Institute of Internal Auditors. The AC is satisfied that the outsourced internal audit function is adequately staffed by suitably qualified, independent and experienced professionals as the team comprises of a director who is a member of Chartered Accountants Australia and New Zealand, the Malaysian Institute of Certified Public Accountants and the Institute of Internal Auditors Malaysia while the team manager and members are accounting graduates.

During FY26, the Internal Auditors had conducted audit in October 2025 covering the Sales, Credit Control, Account Receivables and Collection, Inventory Management, and Logistics for Unigloves (UK) Limited.

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The AC has reviewed the scope and findings of the internal audit performed by the Internal Auditors during FY26 and the Management's responses thereto, and noted that there were no outstanding material internal control findings that were identified by the Internal Auditors in their course of audit for FY26. The Management is committed to and has taken steps to implement any recommendations by the Internal Auditors for FY26, based on its level of priority.

Management regularly reviews the Group's business and operational activities in respect of the key risk control areas including financial, operational, compliance and information technology controls and continues to apply appropriate measures to control and mitigate these risks. All significant matters are highlighted to the AC and the Board for further discussion. The AC and the Board also work with the Internal Auditors, External Auditors and Management on their recommendations to institute and execute relevant controls with a view to managing such risks.

Provision 9.2 - Assurance from the Joint CEOs and the Finance Director

The Board has received written assurance from the Joint CEOs and the Finance Director that:

- (a) The financial records of the Group have been properly maintained and the financial statements for FY26 give a true and fair view of the Group's operations and finances; and
- (b) The system of risk management and internal controls in place within the Group is adequate and effective in addressing the material risks in the Group in its current business environment including material financial, operational, compliance and information technology risks.

The Joint CEOs and the Finance Director have obtained similar assurance from the business and corporate executive heads in the Group.

Comment on the adequacy and effectiveness of the risk management and internal control systems

The AC sought the views of the external auditors in making assessment of the internal controls over financial reporting matters. In addition, based on the internal controls established and maintained by the Group, the work performed by the Internal Auditors, as well as the assurance received from the Joint CEOs and the Finance Director, the Board with the concurrence of the AC, is of the opinion that the Group's internal control systems, addressing financial, operational, compliance, information technology risks, and risk management systems were adequate and effective as at 30 June 2026.

The Board notes that the system of risk management and internal controls established by the Group provides reasonable, but not absolute, assurance that the Group will not be adversely affected by any event that can be reasonably foreseen. Furthermore, the Board also acknowledges that no system of risk management and internal controls can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision making, human errors, losses, fraud or other irregularities.

Principle 10: Audit Committee

The Board has an AC which discharges its duties objectively.

Principle 10.1, 10.2 and 10.3 – Composition, Qualification and Role and Responsibilities of the AC

The AC consists of three (3) members, all of whom including the AC Chairman, are independent and are not former partners or directors of the Company's existing auditing firm:

Ms. Gillian Ng Lee Eng	–	Chairman
Mr. Law Cheong Yan	–	Member
Mr. Wong Fook Choy Sunny	–	Member

Corporate Governance Report

None of the AC members have any financial interest in the Company's independent auditors.

The members of the AC carried out their duties in accordance with the terms of reference which include the following:

- review the significant financial reporting issues and judgements so as to ensure the integrity of the financial statements of the Company and any announcements relating to the Company's financial performance;
- review and report to the Board annually the adequacy and effectiveness of the Company's internal controls, including financial, operational, compliance and information technology controls;
- review the external auditor's audit plan and results of the external audit, including the evaluation of the system of internal accounting controls and its cost effectiveness, and the review of the extent of non-audit services provided by the external auditors;
- review the external auditors' reports;
- review the scope and results of the internal audit procedures and the internal auditor's evaluation of the adequacy of our internal control and accounting system;
- review the interim and annual financial statements and results announcements before submission to the Board for approval, focusing in particular, on changes in accounting policies and practices, major financial risk areas, significant adjustments resulting from the audit, compliance with financial reporting standards as well as compliance with the Catalist Rules and any other statutory/regulatory requirements;
- ensure co-ordination between the internal and external auditors and the Management, including considering the level of assistance given by the Management to the auditors, and discuss problems and concerns, if any arising from the interim and final audits, and any matters which the auditors may wish to discuss (in the absence of the Management where necessary);
- review the scope and results of the external audit, and the independence and objectivity of the external auditors;
- review and discuss with the external auditors any suspected fraud or irregularity, or suspected infringement of any relevant laws, rules or regulations, which has or is likely to have a material impact on the Group's operating results or financial position, and our Management's response;
- make recommendations to the Board on the proposals to the shareholders on the appointment, reappointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
- review significant financial reporting issues and judgments with the Finance Director/CFO and the external auditors so as to ensure the integrity of the Company's financial statements and any formal announcements relating to the Group's financial performance before submission to the Board;
- review the adequacy and effectiveness the Group's internal controls systems with the Finance Director/CFO and the internal and external auditors including financial, operational, compliance, information technology controls and risk management system and report to the Board at least annually;
- review the assurance from the Joint CEO and the Finance Director/CFO on the financial records and financial statements;
- review interested person transactions and monitor the procedures established to regulate interested person transactions to ensure compliance with the Group's internal control system and the relevant provisions of the Catalist Rules as well as to ensure that proper measures to mitigate such conflicts of interests have been put in place;

Corporate Governance Report

- review the independence of the external auditors and recommend their appointment or re-appointment, remuneration and terms of engagement;
- review and approve all hedging policies and instruments implemented by the Group;
- undertake such other reviews and projects as may be requested by the Board and report to the Board its findings from time to time on matters arising and requiring the attention of the AC;
- review arrangements by which an employee may, in confidence, raise concerns about possible improprieties in matters of financial reporting and to ensure that arrangements are in place for the independent investigations of such matter and for appropriate follow-up; and
- undertake generally such other functions and duties as maybe required by statute or the Catalist Rules, as amended, modified or supplemented from time to time.

Apart from the above, the AC shall:

- commission and review the findings of internal investigations into matters where there is any suspected fraud or irregularity, or failure of internal controls or suspected infringement of any Singapore law, rule or regulation which has or is likely to have a material impact on the Group's operating results and/or financial position; and
- commission an annual internal controls audit until such time it is satisfied that the internal controls of the Group are sufficiently robust and effective in mitigating any key internal control weaknesses the Group may have. Prior to decommissioning such an internal control audit, the Board shall report to the Sponsor and the SGX-ST (if necessary) on the basis to decide to decommission the annual internal controls audit, as well as the measures taken to rectify key weaknesses in and/or strengthen the internal controls of the Group. Thereafter, the AC shall commission such audits as and when it deems fit for the purposes of satisfying itself that the internal controls of the Group have remained robust and effective. Upon the completion of an internal controls audit, the Board shall make the appropriate disclosure via SGXNet of any weaknesses in the Group's internal controls which may be material or of a price-sensitive nature, as well as any follow-up actions to be taken by the Board.

The AC has explicit authority to investigate any matter within its term of reference and is authorised to obtain independent professional advice. It has full access to and co-operation of management and reasonable resources to enable it to discharge its duties properly. It also has full discretion to invite any Director or executive officer to attend its meetings.

Provision 10.4 – Internal audit function

Provision 10.5 – AC's activities during the year

The AC met three times during FY26. Details of members and their attendance at meetings are provided on page 51 of the Annual Report. Company Secretary and external auditors are invited to these meetings. Other members of Management are also invited to attend, as appropriate, to present reports.

During the financial year, the AC had one meeting with the Internal Auditors and external auditors separately, without the presence of Management. These meetings enable the Internal Auditors and external auditors to raise issues encountered in the course of their work directly to the AC.

The AC received updates from the external auditors during the AC meetings on changes and amendments to the Companies Act and accounting standards to enable the members of AC to keep abreast of such changes, and issues which have a direct impact on financial statements.

The AC met at physical meetings or through video conference to review the half year and full year results announcements, material announcements and all related disclosures to the shareholders before submission to the Board for approval. In the process, the AC reviewed the audit plan and audit committee report presented by the external auditors.

Corporate Governance Report

In the review of financial statements for FY26, the AC discussed with Management, the Finance Director and the external auditors the significant accounting policies, judgements and estimates applied by Management in preparing the annual financial statements. The AC focused particularly on:

- Significant adjustments resulting from the audit;
- The appropriateness of the going concern assumption in the preparation of the financial statements; and
- Significant deficiencies in internal controls over financial reporting matters that came to the external auditors' attention during their audit together with their recommendations.

In addition, significant matters that were discussed with Management and the external auditors have been included as Key Audit Matters ("**KAMs**") in the audit report for the financial year ended 30 June 2026 on pages 83 to 85 of the Annual Report.

In assessing each KAM, the AC took into consideration the approach and methodology applied, as well as the reasonableness of the estimates and key assumptions used. The AC concluded that management's accounting treatment and estimates in each of the KAMs were appropriate.

Following the review and discussions, the AC then recommended to the Board for the approval of the audited annual financial statements.

External audit processes

The AC manages the relationship with the Group's external auditors, on behalf of the Board. The AC is of the view that the external auditors, Forvis Mazars LLP demonstrated appropriate qualifications and expertise and is also independent of the Company. It is also satisfied with the adequacy of the scope and quality of the external audits being conducted by Forvis Mazars LLP. Therefore, the AC recommended to the Board that Forvis Mazars LLP be re-appointed as the external auditors. The Board accepted this recommendation and has proposed a resolution to shareholders for the re-appointment of Forvis Mazars LLP at the forthcoming AGM.

The AC undertook a review of the non-audit services provided by the external auditors and is satisfied that the nature and extent of such services would not prejudice the independence of the external auditors, and has recommended the re- appointment of the external auditors at the forthcoming AGM.

The aggregate amount of audit and non-audit fees paid or payable to the external auditors for FY26 is S\$335,000, comprising S\$316,000 in audit fees and S\$19,000 in non-audit fees relating to the provision of tax compliance and other services, respectively. The Company has complied with Rule 712 and Rule 715 of the Catalist Rules in the appointment of its auditor, having regard the adequacy of the track record, resources, experience and independence of the auditing firm and the audit partner-in-charge assigned to the audit.

Internal audit

The AC approves the appointment, removal, evaluation and compensation of internal auditors. The internal audit function of the Group is outsourced to IA Essential Pte Ltd. The Internal Auditors' primary line of reporting is the AC Chairman. Administratively, the Internal Auditors report to the Joint CEOs. The selection of the Internal Auditors, its fee proposal and the internal audit proposal were reviewed and approved by the AC. The Internal Auditors carry out their function in accordance to the standards set by the International Standards for the Professional Practice of Internal Auditing set by the Institute of Internal Auditors. The primary purpose of the internal audit function is to assist the Board and Management to meet the strategic and operational objectives of the Group, by providing an independent and objective evaluation of the adequacy and effectiveness of risk Management, controls and governance processes. The internal audit approach focuses on key financial, operational, compliance, information technology risks and risk Management system. The internal audit plan is established in consultation with, but independent of, Management. The internal audit plan is reviewed and approved by the AC. All internal audit findings, recommendations and status of remediation, are circulated to the AC, the Joint CEOs, the external auditors and relevant Management.

Corporate Governance Report

The AC will ensure that Management provides good support to the Internal Auditors and provides them with access to documents, records, properties and personnel when requested in order for the Internal Auditors to carry out their function accordingly. The AC will meet with the Internal Auditors once a year, without the presence of Management.

The AC, together with the Board have reviewed the effectiveness of the actions taken by Management on the recommendations made by the Internal Auditors. The Board and the AC are of the view that the internal audit function is independent, effective, adequately resourced and has the appropriate standing within the Group.

During FY26, the AC reviewed and assessed the adequacy of the Group's system of internal controls and regulatory compliance through discussion with Management, Internal Auditors and external auditors.

The AC considered and reviewed with the Management and the Internal Auditors on the following:

- Internal audit plans to ensure that the plans covered sufficiently a review of the internal controls of the Group; and
- Significant internal audit observations and the Management's response thereto.

The AC has reviewed the adequacy and effectiveness of the internal audit function.

Interested person transactions

The AC reviewed the Group's interested person transactions to ensure that the transactions were carried out on normal commercial terms and were not prejudicial to the interests of the Company or its minority shareholders. On an interim basis, Management reports to the AC the interested person transactions, if any.

There were no interested person transactions during the financial year under review.

The AC is satisfied that the internal controls over the identification, evaluation, review, approval and reporting of interested person transactions are effective.

Whistle-blowing

The Company has adopted a Whistle-Blowing Policy to provide a channel for employees of the Group to report in good faith and in confidence their concerns about possible improprieties in matters of financial reporting or other matters. The AC exercises the overseeing function over the administration of the Whistle-Blowing Policy. The Whistle-Blowing Policy provides for procedures to validate concerns and for investigations to be carried out independently. The Whistle-Blowing Policy has been circulated to all employees and has been published on the Company's website for the purposes of the external parties such as customers, suppliers, and other stakeholders.

For FY26, the Company has received a whistleblowing report submitted through SGX. Having investigated, established relevant facts and reviewed supporting documents with the Management, the AC is satisfied that the matters raised in the whistleblowing report have been addressed and the Company has replied SGX the same.

Corporate Governance Report

SHAREHOLDERS' RIGHTS AND ENGAGEMENT AND MANAGING STAKEHOLDER RELATIONSHIPS

Principle 11: Shareholders' Rights and Conduct of General Meetings

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Provision 11.1, 11.2, and 11.3 – Conduct of general meetings

The Group recognises the importance of maintaining transparency and accountability to its shareholders. The Board ensures that all the Company's shareholders are treated equitably and the rights of all investors, including minority shareholders are protected.

The Group is committed to providing shareholders with adequate, timely and sufficient information pertaining to changes in the Group's business which could have a material impact on the Company's share price.

The Group strongly encourages shareholder participation during the AGM which will be held in Singapore. Shareholders are able to proactively engage the Board and Management on the Group's business activities, financial performance and other business-related matters. All shareholders are entitled to vote in accordance with the established voting rules and procedures. The Company conducts poll voting for all resolutions tabled at the general meetings. The rules, including the voting procedures, will be clearly explained by the scrutineer at such general meetings. The Company will employ electronic polling if necessary.

Separate resolutions on each distinct issue are tabled at general meetings and explanatory notes are set out in the notices of general meetings where appropriate. All Directors including Chairman of the Board and the respective Chairman of the AC, NC and RC, Management, and the external auditors will be in attendance at general meetings to address any queries of the shareholders.

Forthcoming AGM to be convened

The forthcoming AGM in respect of FY26 will be held physically at YMCA @ One Orchard, Tan Chin Tuan Room Level 4, 1 Orchard Road, Singapore 238824 on 28 October 2026. Shareholders will be able to raise questions and vote in person at the AGM. There will be no option for shareholders to participate virtually. Arrangements relating to attendance at the forthcoming AGM, submission of questions in advance of the AGM, and voting at the AGM by shareholders or their duly appointed proxy(ies), are set out in the Notice of AGM released on SGXNet on 13 October 2026.

Provision 11.4 – Voting in absentia

The Constitution of the Company allows any member of the Company, if he is unable to attend a general meeting, to appoint not more than two proxies to attend and vote on his behalf at the meeting through a proxy form sent in advance. Pursuant to the amendments to the Companies Act effective from 1 January 2016, corporate shareholders of the Company which provide nominee or custodial services are entitled to appoint more than two proxies to attend and vote on their behalf at general meetings provided that each proxy is appointed to exercise the rights attached to a different share or shares held by such corporate shareholders.

The Group supports and encourages active shareholders' participation at general meetings. The Board believes that general meetings serve as an opportune forum for shareholders to meet the Board and key management personnel, and to interact with them. Information on general meetings is disseminated through notices in the annual reports or circulars sent to all shareholders. The notices are also released via SGXNet and published in local newspapers, as well as posted on the Company's website.

The Company's Constitution allows all shareholders to appoint proxies to attend general meetings and vote on their behalf. As the authentication of shareholder identity information and other related security issues still remain a concern, the Group has decided, for the time being, not to implement voting in absentia by mail, email or fax.

Corporate Governance Report

Provision 11.5 – Minutes of general meetings

The Company Secretary will record the minutes of general meetings that include relevant and substantial comments from shareholders relating to the agenda of the meetings and responses from Management.

Under Provision 11.5 of the Code, the Company should publish the minutes of general meetings of shareholders on SGXNet and/or its corporate website as soon as practicable and such minutes shall record substantial and relevant comments or queries from shareholders relating to the agenda of the general meeting, and responses from the Board and Management. The Company has adopted this practice since its AGM for the financial year ended 30 June 2020. The minutes of general meetings of the Company, including a summary of substantial and relevant comments or questions from shareholders relating to the agenda of general meetings and responses thereof, will be published on SGXNet and/or its corporate website within one (1) month after the date of the meeting, for the information of the shareholders.

The Company will put all resolutions to vote by poll and make an announcement of the detailed results showing the number of votes cast for and against each resolution and the respective percentages for general meetings.

Provision 11.6 – Dividend policy

In the Company's Offer Document dated 28 November 2014 (the "**Offer Document**"), the Company stated that it does not have a fixed dividend policy. However, it is also disclosed in the Offer Document that the Board intends to recommend and distribute dividends of at least 20% of the Group's net profit after tax for each financial year commencing from the financial year ended 30 June 2016. The form, frequency and amount of future dividends that the Board may recommend or declare in respect of any particular year or period, will be subject to the factors outlined below as well as other factors deemed relevant by the Board:

- The Group's financial position, results of operations and cash flow;
- The ability of the Group's subsidiaries to make dividend payment to the Company;
- The Group's expected working capital requirement to support the Group's future growth;
- The Group's ability to successfully implement the Group's future plan and business strategy;
- The passage of new laws, adoption of new regulations or changes to, or in the interpretation or implementation of, existing laws and regulations governing the Group's operations;
- General economic conditions and other factors specific to the Group's industry or specific projects; and
- Any other factors deemed relevant by the Board at the material time.

No dividend has been declared for FY26 as the Group wishes to conserve cash for expansion and growth.

Corporate Governance Report

Principle 12: Engagement with Shareholders

The Company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Provision 12.1, 12.2 and 12.3 – Stakeholder engagement

Disclosure of information on a timely basis

The Group is committed to maintaining high standards of corporate disclosure and transparency. The Group values dialogue sessions with its shareholders. The Group believes in regular, effective and fair communication with shareholders and is committed to hearing shareholders' views and addressing their concerns.

Material information is disclosed in a comprehensive, accurate and timely manner via SGXNet, press releases and on the corporate website. To ensure a level playing field and to provide confidence to shareholders, unpublished price sensitive information is not selectively disclosed. In the event that an unpublished material information is inadvertently disclosed to any selected group in the course of the Group's interactions with the investing community, a media release or announcement will be released to the public via SGXNet as soon as practicable.

The Group's corporate website is the key resource of information for shareholders. In addition to the half yearly and full year financial results materials/business updates, it contains a wealth of investor-related information on the Group, including annual reports, shares and dividend information and factsheets.

Interaction with shareholders/stakeholders

The Company has appointed an external investor relations firm to facilitate the communication with all stakeholders (shareholders, analysts and media) on a regular basis, to attend to their queries or concerns as well as to keep the investors apprised of the Group's corporate developments and financial performance. To enable shareholders to contact the Company easily, the contact details of the investor relations function are set out on Corporate Information page of this Annual Report. The Company has procedures in place with regard to responding to investors' queries.

Principle 13: Managing stakeholder relationships

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

Provision 13.1, 13.2 and 13.3 – Stakeholder engagement

The Group has arrangements in place to identify and engage with its material shareholder groups and to manage its relationships with such groups. It undertakes formal and informal stakeholder engagement exercise, such as announcements, press releases, publications, surveys and customer feedback with material stakeholder groups which include shareholders, suppliers, customers, regulators, employees, media and public relations, and the local communities. The Group has identified the environmental, social and governance factors that are important to these stakeholders. These factors form the materiality matrix upon which targets, metrics, programmes and progress are reviewed by and approved by the Board, before they are published annually in our sustainability report. Further information in relation to details of the stakeholders engaged by the Group, areas of focus, approaches to stakeholder, including frequency of engagement by type and by stakeholder group and key feedback or issues that have been raised through stakeholder engagement can be found under Sustainability Report on pages 17 to 47 of the annual report.

Corporate Governance Report

Dealing in Securities

The Group has adopted an internal compliance code to provide guidance to its Directors and all employees of the Group with regard to dealings in the Company's securities. The code prohibits the dealing in the Company's securities by the Directors and employees of the Group while in possession of unpublished price sensitive information. Directors and employees are not allowed to deal in the Company's securities on short-term considerations and during the period commencing one month before the announcement of the Company's half year and full year financial results. The Directors and employees are also required to adhere to the provisions of the Securities and Futures Act, Companies Act, the Catalist Rules and any other relevant regulations with regard to their securities transactions. They are also expected to observe insider trading laws at all times even when dealing in securities within the permitted trading period.

The Group confirmed that it has adhered to its internal compliance code for FY26 pursuant to Rule 1204(19) of the Catalist Rules.

Material Contracts

There are no material contracts of the Company or its subsidiaries involving the interest of the Joint CEO, any Director or controlling shareholder either still subsisting as at 30 June 2026 or if not then subsisting, entered into since the end of the previous financial year.

Non-Sponsor Fees

In compliance with Rule 1204(21) of the Catalist Rules, there were no non-sponsor fees paid to the Company's sponsor, SAC Capital Private Limited during the financial year under review.

Interested Person Transactions

The Company confirms that there were no interested person transactions during the financial year under review.

The Group does not have a general mandate from shareholders for IPTs pursuant to Rule 920 of the Catalist Rules.

Directors' Statement

The directors present their statement to the members together with the audited financial statements of UG Healthcare Corporation Limited (the “**Company**”) and its subsidiaries (the “**Group**”) for the financial year ended 30 June 2026 and the statement of financial position and statement of changes in equity of the Company as at 30 June 2026.

1. OPINION OF THE DIRECTORS

In the opinion of the directors,

- (i) the financial statements of the Group and the statement of financial position and the statement of changes in equity of the Company are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date in accordance with the provisions of the Singapore Companies Act 1967 (the “**Act**”) and Singapore Financial Reporting Standards (International); and
- (ii) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. DIRECTORS

The directors of the Company in office at the date of this statement are:

Lee Jun Yih
Lee Jun Linn
Gillian Ng Lee Eng
Wong Fook Choy Sunny
Law Cheong Yan

3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects were, or one of the objects was, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, except as disclosed in paragraphs 4 and 5 below.

Directors' Statement

4. DIRECTORS' INTERESTS IN SHARES OR DEBENTURES

The directors of the Company holding office at the end of the financial year had no interest in the shares and debentures of the Company and related corporations as recorded in the Register of Directors' Shareholdings kept by the Company under Section 164 of the Act, except as disclosed below:

Name of directors and respective companies in which interest is held	Direct interest		Deemed interest	
	At the beginning of the year	At the end of the year	At the beginning of the year	At the end of the year
The Company				
(Ordinary shares)				
Lee Jun Yih	2,845,063	2,845,063	374,729,122	374,729,122
Lee Jun Linn	2,217,089	2,217,089	374,729,122	374,729,122

By virtue of Section 7 of the Act, Lee Jun Yih and Lee Jun Linn are deemed to have an interest in all wholly owned subsidiaries of the Company.

The directors' interests in the shares of the Company on 21 July 2026 were the same as at 30 June 2026.

5. SHARE OPTIONS

The 2014 Unigloves Employee Share Option Scheme (the "2014 Unigloves ESOS") was adopted on 11 November 2014 and expired on 10 November 2024. The Company had on 29 October 2024 adopted a new share option scheme known as the 2024 Unigloves Employee Share Option Scheme (the "2024 Unigloves ESOS"). The Scheme is administered by the Remuneration Committee which comprises the following directors:

Wong Fook Choy Sunny (Chairman)
Law Cheong Yan
Gillian Ng Lee Eng

On 16 February 2024 (the "Date of Grant"), share options were granted to management and confirmed employees under the 2014 Unigloves ESOS.

The options are vested equally over three (3) years with first year of vesting being after two (2) years from the Date of Grant, the options are exercisable upon vesting. In all other cases, an option will be forfeited in the event that the option is not exercised within 5 years from the Date of Grant.

The Exercise Price is set at a discount of 20% to the average of the last-dealt prices for the Company's shares on the SGX-ST over the five (5) trading days immediately preceding the Date of Grant.

Directors' Statement

5. SHARE OPTIONS (CONTINUED)

Details of the options to subscribe for ordinary shares of the Company pursuant to the 2014 Scheme are as follows:

Date of grant	Expiry date	Exercise price per share (\$)	Balance as at 1 July 2025	Granted	Exercised	Balance as at 30 June 2026
16 February 2024	15 February 2029	0.1003	2,750,000	–	–	2,750,000

There were no share options granted pursuant to the 2024 Unigloves ESOS.

No shares have been issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares under option in the Company or its subsidiaries as at end of the financial year other than those disclosed as above.

6. PERFORMANCE SHARE PLAN

The Unigloves Performance Share Plan (the “**2014 Unigloves PSP**”), which was adopted on 11 November 2014 and expired on 10 November 2024. The Company had on 29 October 2024 adopted a new share scheme known as the 2024 Unigloves Performance Share Plan (the “**2024 Unigloves PSP**”).

There were no awards granted under the 2014 and 2024 Unigloves PSP by the Company or its subsidiaries during the financial year.

There were no shares issued during the financial year by virtue of exercise of awards to take up unissued shares of the Company or its subsidiaries.

There were no unissued shares under the 2014 and 2024 Unigloves PSP by the Company or its subsidiaries as at the end of the financial year.

7. AUDIT COMMITTEE

The Audit Committee of the Company comprises three non-executive directors and at the date of this report, they are:

Gillian Ng Lee Eng (Chairman)
Law Cheong Yan
Wong Fook Choy Sunny

The Audit Committee has convened three meetings during the year with key management and the internal and external auditors of the Company.

Directors' Statement

7. AUDIT COMMITTEE (CONTINUED)

The Audit Committee carried out its functions in accordance with Section 201B (5) of the Act, the SGX Listing Manual and the Code of Corporate Governance. In performing those functions, the Audit Committee reviewed:

- i. the audit plan and results of the external audit, including the evaluation of internal accounting controls and its cost effectiveness, and the independence and objectivity of the external auditors, including the review of the nature and extent of non-audit services provided by the external auditors to the Group;
- ii. the audit plans of the internal auditors of the Group and their evaluation of the adequacy of the Group's system of internal accounting controls;
- iii. the Group's interim and annual financial statements and the external auditors' report on the annual financial statements of the Group and of the Company before their submission to the board of directors;
- vi. the half yearly and annual announcements as well as the related press releases on the results of the Group and financial position of the Group and of the Company;
- v. the adequacy of the Group's risk management processes;
- vi. the Group's compliance with legal requirements and regulations, including the related compliance policies and programmes and reports received from regulators, if any;
- vii. interested person transactions in accordance with SGX listing rules;
- viii. the nomination of external auditors and approval of their compensation; and
- ix. the submission of report of actions and minutes of the audit committee to the board of directors with any recommendations as the audit committee deems appropriate.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of Forvis Mazars LLP for re-appointment as external auditors of the Group at the forthcoming AGM of the Company.

8. AUDITORS

The auditors, Forvis Mazars LLP, have expressed their willingness to accept re-appointment.

On behalf of the directors

Lee Jun Yih

Director

Lee Jun Linn

Director

Singapore
30 September 2026

Independent Auditors' Report

To the Members of UG Healthcare Corporation Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of UG Healthcare Corporation Limited (the “**Company**”) and its subsidiaries (the “**Group**”) which comprise the statements of financial position of the Group and of the Company as at 30 June 2026, the statements of changes in equity of the Group and of the Company and the consolidated statements of profit or loss and other comprehensive income and cash flows of the Group for the financial year then ended, and notes to the financial statements, including a summary of material accounting policy information from pages 89 to 165.

In our opinion, the accompanying financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the “**Act**”) and Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2026 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (“**SSAs**”). Our responsibilities under those standards are further described in the *Auditors’ Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (“**ACRA**”) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (“**ACRA code**”), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis of our opinion.

Independent Auditors' Report

To the Members of UG Healthcare Corporation Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Matter	Audit response
Valuation of inventories	
<i>Refer to Note 3.2 for key sources of estimation uncertainty and Note 17 (Inventories) for disclosures note.</i>	
As at 30 June 2026, the Group recorded inventories of \$58.9 million.	Our audit procedures included, and were not limited to, the following:
Inventories are valued at the lower of cost and net realisable value ("NRV").	Performed observation of inventory count at year end for its major operating subsidiaries;
Management reviews the Group's inventories levels in order to identify slow-moving and obsolete merchandise and identifies items of inventories which have a market price, being the merchandise's selling price quoted from the market of similar items that is lower than their carrying amount. Changes in demand levels, technological developments and pricing competition could affect the saleability and values of the inventories which could then consequentially impact the Group's results, cash flows and financial position. Management estimates the amount of inventories loss as an allowance on inventories to ensure that the inventories amounts recorded are not above their corresponding NRV.	- Assessed the costing of closing inventories determined by management using standard costing method to ascertain that the standard costs approximate actual costs; - Assessed the NRV of closing inventories that was determined by management to ascertain that inventories are carried at lower of cost and NRV; - Evaluated the basis of the allowance provided by management and checked against historical storage time to assess reasonableness of the guidance used in estimating the obsolescence allowance; and
We have identified valuation for inventories as one of the key audit matters because the Group had material carrying amount of inventories as at the end of the financial year and the Group determined cost based on standard costing where standard costs are estimated using unit costs at targeted output levels, including direct materials costs, direct labour costs, and indirect costs. The estimation of standard costs requires the separate estimation of standard costs for direct materials, direct labour, and overhead where judgements are involved on absorption and allocation of cost for each type of inventories.	Reviewed inventories turnover days and performed a specific review on those slow moving and obsolete inventories.

Independent Auditors' Report

To the Members of UG Healthcare Corporation Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

Matter	Audit response
Allowance for trade receivables <i>Refer to Note 3.2 for key sources of estimation uncertainty and Note 19 (Trade receivables) for disclosures note.</i>	
As at 30 June 2026, the Group recorded trade receivables of \$34.7 million with accumulated loss allowance of \$2.0 million under current assets. With reference to SFRS(I) 9 <i>Financial Instruments</i> ("SFRS(I) 9"), the Group used an allowance matrix to estimate expected credit losses for trade receivables. The expected credit losses rates were based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that were assessed through an age analysis and by geographical locations, adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the trade receivables. As the determination of the expected credit losses requires significant judgement of management and in consideration of the significance of trade receivables in the Group, we consider management's assessment and application of SFRS(I) 9 to the impairment of trade receivables as a key audit matter.	Our audit procedures included, and were not limited to, the following: - Reviewed outstanding debts as at year end, differentiated in two streams, namely major customers and long outstanding debts exceeding credit terms granted with reference to ageing profile; - Assessed expected credit losses based on the ratio of historical actual credit losses against trade receivables for the past 3 financial years and management's assumptions on forward looking factors affecting the recoverability of the trade receivables; - Reviewed ageing profile of the receivables and verified to subsequent collections from the receivables to the bank statements; and - Reviewed the background, profile and historical payments trends of the customers.
Impairment on property, plant and equipment <i>Refer to Note 3.2 for key sources of estimation uncertainty and Note 13 (Property, plant and equipment) for disclosures note.</i>	
As at 30 June 2026, the Group recorded property, plant and equipment of \$64.6 million with accumulated impairment allowance of \$5.1 million. In accordance with SFRS(I) 1-36 <i>Impairment of Assets</i> ("SFRS(I) 1-36"), the Group shall assess at each reporting period whether there is any indication that property, plant and equipment may be impaired. If any such indication exists, the Group shall estimate the recoverable amount of the property, plant and equipment. The property, plant and equipment is allocated to the groups of cash-generating units ("CGU"). The management assessed the groups of CGU for impairment annually or more frequently when there is an indication that the CGU may be impaired. The recoverable amounts of the groups of CGU are determined based on estimates of forecasted revenues, growth rates, gross margins and discount rates. These estimates require significant judgement and hence the management's determination of the recoverable amounts is a key focus area for our audit.	Our audit procedures included, and were not limited to, the following: - Evaluated the process by which management prepared its cash flow forecasts and compared them against the latest Board-approved financial budgets and management-approved forecast; - Discussed with management their planned strategies, revenue stream growth strategies, and cost initiatives; - Evaluated the reasonableness of management's estimate of expected future cash flows and challenged the management's estimates applied in the value-in-use models, through comparison with recent performance, trend analysis, and market expectations together with our in-house valuation specialist; and - Reviewed the sensitivity analysis to assess the impact on the recoverable amount of the CGU subsequent to reasonably possible changes to the key assumptions for adequacy of disclosure in the financial statements.

Independent Auditors' Report

To the Members of UG Healthcare Corporation Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Key Audit Matters (Continued)

Matter	Audit response
Impairment of goodwill Refer to Note 3.2 for key sources of estimation uncertainty and Note 15 (Goodwill) for disclosures note. As at 30 June 2026, the Group recognised goodwill arising from business combinations of \$18.4 million with accumulated impairment allowance of \$1.0 million. Management determines the recoverable amount of the CGU to which goodwill is allocated to, using the value-in-use method, estimated using discounted cash flow projections. Significant judgements and estimates have been applied by the management in determining the recoverable amount, principally, the revenue growth rates, budgeted gross profit margins and discount rate used. These estimates are inherently subject to estimation uncertainties and hence we consider management's determination of recoverable amount as a key audit matter.	Our audit procedures included, and were not limited to, the following: • Obtained an understanding of the Group's process for identifying CGU for the impairment assessment of goodwill; • Evaluated the reasonableness of management's estimate of expected future cash flows and challenged the management's estimates applied in the value-in-use models, through comparison with recent performance, trend analysis, and market expectations together with our in-house valuation specialist; and • Reviewed the sensitivity analysis to assess the impact on the recoverable amount of the CGU resulting from reasonably possible changes to key assumptions and evaluated the adequacy of related disclosures in the financial statements.
Valuation of investment in the Active Retirement Home Project and Healthcare Project ("Project") Refer to Note 3.2 for key sources of estimation uncertainty and Note 22 (Financial asset held at fair value through profit or loss) for disclosures note. The Group diversified into the non-glove healthcare-related business through its investment in the Project in Desaru, Malaysia. The Project is undertaken jointly by Indigo Teguh Sdn. Bhd. ("Indigo"), a wholly-owned subsidiary of the Group, with related party, Lumayan Cergas Management Sdn. Bhd. ("LCM"), and the land proprietors under a Tripartite Exclusive Development and Management Agreement. Indigo provided RM33.3 million equivalent to \$10.6 million (2025: \$10.1 million) of financial assistance to LCM to facilitate the acquisition of land for the Project. Management classified the Group's interest in the Project as a financial asset measured at fair value through profit or loss. Profits arising from the Active Retirement Home Project and Healthcare Project are distributed according to a defined order of priority, with Indigo entitled to 35% and 55% respectively of residual profits after settlement of construction and land costs, statutory and professional fees, and repayment of any financing obligations. Management determined the fair value of the financial asset using a market approach. The valuation involved significant judgement and estimation uncertainty. Given the materiality of the investment, we identified this as a key audit matter.	Our audit procedures included, and were not limited to, the following: • Assessed the appropriateness of the valuation methodology and key assumptions applied by management in determining the fair value of the financial asset together with our in-house valuation specialist; and • Reviewed the appropriateness and adequacy of the related disclosures made in the financial statements.

Independent Auditors' Report

To the Members of UG Healthcare Corporation Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements, the independent auditors' report thereon, which we obtained prior to the date of this report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Independent Auditors' Report

To the Members of UG Healthcare Corporation Limited

REPORT ON THE AUDIT OF FINANCIAL STATEMENTS (CONTINUED)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purpose of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditors' Report

To the Members of UG Healthcare Corporation Limited

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by the subsidiary entities incorporated in Singapore of which we are auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Chan Hock Leong, Rick.

FORVIS MAZARS LLP

Public Accountants and
Chartered Accountants

Singapore

30 September 2026

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the financial year ended 30 June 2026

	Note	2026 \$'000	2025 \$'000
Revenue	4	150,824	144,074
Cost of sales		(107,953)	(109,335)
Gross profit		42,871	34,739
Other income	5	2,588	2,006
Marketing and distribution expenses		(8,908)	(9,035)
Administrative expenses		(28,406)	(26,519)
Other expenses		(1,631)	(2,711)
Finance costs	6	(2,540)	(2,186)
Share of profit from equity-accounted for joint venture	11	29	47
Share of loss from equity-accounted for associates	12	–	(84)
Profit/(Loss) before income tax	7	4,003	(3,743)
Income tax expense	8	(1,353)	(979)
Profit/(Loss) for the year		2,650	(4,722)
Other comprehensive income/(loss):			
Items that may be reclassified subsequently to profit or loss, net of tax			
Exchange differences on translating foreign operations		6,784	(542)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR		9,434	(5,264)
Profit/(Loss) attributable to:			
- Owners of the Company		2,099	(4,097)
- Non-controlling interests		551	(625)
		2,650	(4,722)
Total comprehensive income/(loss) attributable to:			
- Owners of the Company		9,006	(4,959)
- Non-controlling interests		428	(305)
		9,434	(5,264)
Earnings/(Loss) per share attributable to owners of the Company (cents)			
- Basic/Diluted	9	0.34	(0.66)

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Statements of Financial Position

As at 30 June 2026

	Note	Group		Company	
		2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
ASSETS					
Non-current assets					
Subsidiaries	10	–	–	31,024	31,024
Joint venture	11	849	826	–	–
Associates	12	–	–	–	–
Property, plant and equipment	13	64,646	61,654	–	–
Intangible assets	14	4,076	4,625	–	–
Goodwill	15	18,417	18,417	–	–
Financial asset held at fair value through profit or loss (“FVTPL”)	22	10,574	10,056	–	–
Derivative financial assets	25	65	91	–	–
Deferred tax assets	16	4,804	2,603	–	–
Total non-current assets		103,431	98,272	31,024	31,024
Current assets					
Inventories	17	58,886	64,431	–	–
Amounts due from subsidiaries	18	–	–	67,649	70,403
Trade and other receivables	19	48,601	47,424	288	284
Derivative financial assets	25	125	32	–	–
Income tax assets		2,066	3,030	–	–
Cash and cash equivalents	20	27,410	23,291	12,613	12,489
Total current assets		137,088	138,208	80,550	83,176
Total assets		240,519	236,480	111,574	114,200
EQUITY AND LIABILITIES					
Equity					
Share capital	21	59,652	59,652	59,652	59,652
Reserves	23	(62,685)	(69,592)	–	–
Retained earnings		174,791	172,692	21,780	20,953
Equity attributable to owners of the Company		171,758	162,752	81,432	80,605
Non-controlling interests		(1,990)	(2,418)	–	–
Total equity		169,768	160,334	81,432	80,605
Non-current liabilities					
Deferred tax liabilities	16	3,109	2,246	–	–
Bank borrowings	26	18,567	22,502	–	–
Lease liabilities	28	378	202	–	–
Total non-current liabilities		22,054	24,950	–	–
Current liabilities					
Bank borrowings	26	20,674	24,259	–	–
Amounts due to subsidiaries	18	–	–	28,845	32,242
Trade and other payables	27	25,432	25,782	1,282	1,303
Lease liabilities	28	899	396	–	–
Derivative financial liabilities	25	86	619	–	–
Income tax liabilities		1,606	140	15	50
Total current liabilities		48,697	51,196	30,142	33,595
Total liabilities		70,751	76,146	30,142	33,595
Total equity and liabilities		240,519	236,480	111,574	114,200

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Statements of Changes in Equity

For the financial year ended 30 June 2026

Group	Attributable to equity holders of the Company							Total equity \$'000
	Share capital (Note 21)	Foreign currency translation reserve (Note 23)	Merger reserves (Note 23)	Other reserves (Note 23)	Retained earnings	Total	Non-controlling interests	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
At 1 July 2024	59,652	(31,820)	(25,940)	(10,970)	176,789	167,711	(2,113)	165,598
Loss for the year	–	–	–	–	(4,097)	(4,097)	(625)	(4,722)
<u>Other comprehensive (loss)/ income:</u>								
Exchange differences on translating foreign operations	–	(862)	–	–	–	(862)	320	(542)
Total comprehensive loss for the year	–	(862)	–	–	(4,097)	(4,959)	(305)	(5,264)
At 30 June 2025	59,652	(32,682)	(25,940)	(10,970)	172,692	162,752	(2,418)	160,334
Profit for the year	–	–	–	–	2,099	2,099	551	2,650
<u>Other comprehensive income/(loss):</u>								
Exchange differences on translating foreign operations	–	6,907	–	–	–	6,907	(123)	6,784
Total comprehensive income for the year	–	6,907	–	–	2,099	9,006	428	9,434
At 30 June 2026	59,652	(25,775)	(25,940)	(10,970)	174,791	171,758	(1,990)	169,768

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Statements of Changes in Equity

For the financial year ended 30 June 2026

Company	Share capital \$'000	Retained earnings \$'000	Total \$'000
At 1 July 2024	59,652	22,644	82,296
Loss for the year, representing total comprehensive loss for the financial year	–	(1,691)	(1,691)
At 30 June 2025	59,652	20,953	80,605
Profit for the year, representing total comprehensive income for the financial year	–	827	827
At 30 June 2026	59,652	21,780	81,432

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows

For the financial year ended 30 June 2026

	Note	Group	
		2026 \$'000	2025 \$'000
Operating activities			
Profit/(Loss) before income tax		4,003	(3,743)
Adjustments for:			
- Loss allowance on trade receivables	7	1,447	35
- Share of profit from equity-accounted for joint venture	11	(29)	(47)
- Share of loss from equity-accounted for associates	12	–	84
- Gain on disposal of property, plant and equipment	5	(187)	–
- Depreciation of property, plant and equipment	13	5,610	3,432
- Property, plant and equipment written off		458	204
- Impairment of property, plant and equipment	13	–	783
- Reversal of impairment of property, plant and equipment	13	(1,299)	–
- Impairment of goodwill	15	–	1,001
- Amortisation of intangible assets	14	248	295
- Intangible assets written off	14	519	–
- Fair value (gain)/loss of derivative financial instruments		(442)	571
- Interest expense	6	2,540	2,186
- Interest income	5	(624)	(793)
- Loss/(Gain) on remeasurement of derivative financial assets	25	26	(91)
- Gain on remeasurement of previously held interests in associates	5	–	(606)
- Unrealised exchange differences, net		2,382	(3,141)
Operating cash flows before movements in working capital		14,652	170
Movements in working capital			
- Inventories		5,545	(3,118)
- Trade and other receivables		(2,624)	(6,568)
- Trade and other payables		(350)	6,510
Cash generated from/(used in) operations		17,223	(3,006)
Income taxes (paid)/refunded		(261)	110
Net cash generated from/(used in) operating activities		16,962	(2,896)
Investing activities			
Acquisition of property, plant and equipment	13	(2,617)	(3,155)
Proceeds from disposal of property, plant and equipment		191	–
Addition of intangible assets	14	(195)	(173)
Acquisition of subsidiaries, net of cash and cash equivalents acquired	10	–	34
Interest received		624	793
Net cash used in investing activities		(1,997)	(2,501)
Financing activities			
Drawdown of borrowings		42,578	52,917
Increase in fixed deposits pledged to bank		(50)	(47)
Repayment of borrowings		(52,595)	(51,144)
Repayment of lease liabilities	28(a)	(1,181)	(641)
Net cash (used in)/generated from financing activities		(11,248)	1,085
Net increase/(decrease) in cash and cash equivalents		3,717	(4,312)
Effect of exchange rate changes on cash and cash equivalents		352	(442)
Cash and cash equivalents at beginning of financial year		22,637	27,391
Cash and cash equivalents at end of financial year	20	26,706	22,637

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Consolidated Statement of Cash Flows (Continued)

For the financial year ended 30 June 2026

Reconciliation of liabilities arising from financing activities:

		Cash movements		Non-cash movements				
	1 July 2025	Repayments	Drawdown	Interest expenses	Foreign exchange differences	Acquisition	Derecognition	30 June 2026
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Liabilities								
Borrowings	46,761	(52,595)	42,578	2,497	–	–	–	39,241
Lease liabilities	598	(1,181)	–	43	–	1,897	(80)	1,277

		Cash movements		Non-cash movements				
	1 July 2024	Repayments	Drawdown	Interest expenses	Foreign exchange differences	Acquisition	Derecognition	30 June 2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Liabilities								
Borrowings	42,834	(51,144)	52,917	2,154	–	–	–	46,761
Lease liabilities	882	(641)	–	32	19	383	(77)	598

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Notes to the Financial Statements

For the financial year ended 30 June 2026

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. GENERAL

UG Healthcare Corporation Limited (the “**Company**”) (Registration Number 201424579Z) is incorporated and is domiciled in Singapore. The address of the Company’s registered office is 5 Shenton Way #12-01, UIC Building, Singapore 068808 and is listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

The principal activity of the Company is that of investment holding.

The principal activities of the respective subsidiaries are disclosed in Note 10 to the financial statements.

The financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 30 June 2026 were authorised for issue by the Board of Directors on the date of the directors’ statement.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Group and the statement of financial position and statement of changes in equity of the Company have been drawn up in accordance with the provisions of the Singapore Companies Act 1967 and Singapore Financial Reporting Standards (International) (“**SFRS(I)s**”) including related Interpretations of SFRS(I)s (“**SFRS(I) INTs**”) and are prepared on the historical cost basis, except as disclosed in the accounting policies below.

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position of the Company are presented in Singapore dollar (“**\$**”) which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand (“**\$’000**”), unless otherwise indicated.

In the current year, the Group has adopted all the new and revised SFRS(I)s and SFRS(I) INTs that are relevant to its operations and effective for annual periods beginning on or after 1 July 2025. The adoption of these new or revised SFRS(I)s and SFRS(I) INTs did not result in changes to the Group’s and Company’s accounting policies, and has no material effect on the current or prior year’s financial statement and is not expected to have a material effect on future periods.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.1 Basis of preparation (Continued)

SFRS(I)s and SFRS(I) INTs issued but not yet effective

At the date of authorisation of these financial statements, the following SFRS(I)s and SFRS(I) INTs were issued but not yet effective:

SFRS (I)	Title	Effective date (annual periods beginning on or after)
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Amendments to the Classification and Measurement of Financial Instruments</i>	1 January 2026
Various	Annual Improvements to SFRS(I)s - Volume 11	1 January 2026
SFRS(I) 9, SFRS(I) 7	Amendments to SFRS(I) 9 and SFRS(I) 7: <i>Contracts Referencing Nature-dependent Electricity</i>	1 January 2026
SFRS(I) 18	Presentation and Disclosure in Financial Statements	1 January 2027
SFRS(I) 19	Subsidiaries without Public Accountability: <i>Disclosures</i>	1 January 2027
SFRS(I) 19	Amendments to SFRS(I) 19: <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
SFRS(I) 1-21	Amendments to SFRS(I) 1-21: <i>Translation to a Hyperinflationary Presentation Currency</i>	1 January 2027
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	To be determined

Consequential amendments were also made to various standards as a result of these new/revised standards.

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards, with the exception of SFRS(I) 18 *Presentation and Disclosure in Financial Statements* ("**SFRS(I) 18**"), will not have a material impact on the financial statements of the Group and Company in the period of their initial adoption.

SFRS(I) 18, effective for annual periods beginning on or after 1 January 2027, replaces SFRS(I) 1-1 *Presentation of Financial Statements* and introduces new requirements for presentation and disclosure in financial statements. SFRS(I) 18 mandates a new structure for the statement of profit or loss and also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements and the notes. As a consequential result of SFRS(I) 18 requirements, all entities are required to use the operating profit subtotal, instead of profit or loss, as the starting point for presenting operating cash flows under the indirect method. The classification of cash flows from dividends and interests in either operating, investing and financing cash flows is also fixed.

SFRS(I) 18 will apply retrospectively. The Group is still in the process of assessing the corresponding impact on the primary financial statements and notes to the financial statements.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation

The financial statements of the Group comprise the financial statements of the Company and its subsidiaries. Subsidiaries are entities (including structured entities) (i) over which the Group has power and the Group is (ii) able to use such power to (iii) affect its exposure, or rights, to variable returns from them through its involvement with them.

The Group reassesses whether it controls the subsidiaries if facts and circumstances indicate that there are changes to the one or more of the three elements of control.

When the Group has less than a majority of the voting rights of an investee, it still has power over the investee when the voting rights are sufficient, after considering all relevant facts and circumstances, to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers, among others, the extent of its voting rights relative to the size and dispersion of holdings of the other vote holders, currently exercisable substantive potential voting rights held by all parties, rights arising from contractual arrangements and voting patterns at previous shareholders' meetings.

Subsidiaries are consolidated from the date on which control is transferred to the Group up to the effective date on which control ceases, as appropriate.

Intra-group assets and liabilities, equity, income, expenses and cash flows relating to intragroup transactions are eliminated on consolidation.

The financial statements of the subsidiaries used in the preparation of the financial statements are prepared for the same reporting date as that of the Company. Where necessary, accounting policies of subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

Non-controlling interests are identified separately from the Group's equity therein. On an acquisition-by-acquisition basis, non-controlling interests may be initially measured either at fair value or at their proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Losses in the subsidiary are attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. Any differences between the amount by which the non-controlling interests are adjusted to reflect the changes in the relative interests in the subsidiary and the fair value of the consideration paid or received is recognised directly in equity and attributed to the owners of the Company.

When the Group loses control over a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. reclassified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investments retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.2 Basis of consolidation (Continued)

Investments in subsidiaries are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. For each business combination, the Group determines whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share in the recognised amounts of the acquiree's identifiable net assets. Acquisition-related costs are recognised in profit or loss as incurred and included in administrative expenses.

The Group has the option to apply a "concentration test" as a simplified assessment to determine whether an acquired set of activities and assets is not a business. The Group makes the election separately for each transaction or other event. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 *Business Combinations* ("**SFRS(I) 3**") are recognised at their fair values at the acquisition date, except for non-current assets (or disposal groups) that are classified as held-for-sale in accordance with SFRS(I) 5 *Non-Current Assets Held for Sale and Discontinued Operations* ("**SFRS(I) 5**"), which are recognised and measured at the lower of cost and fair value less costs to sell.

The Group recognises any contingent consideration to be transferred for the acquiree at the fair value on the acquisition date. Contingent consideration classified as equity is not remeasured and its subsequent settlement shall be accounted for within equity. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of SFRS(I) 9, is measured at fair value with the changes in fair value recognised in the statement of profit or loss in accordance with SFRS(I) 9. Other contingent consideration that is not within the scope of SFRS(I) 9 is measured at fair value at each reporting date with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

2.3 Business combinations

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under SFRS(I) 3 are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to the replacement by the Group of an acquiree's share-based payment awards are measured in accordance with SFRS(I) 2 *Share-based Payment*; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 are measured in accordance with that Standard.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.3 Business combinations (Continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date, and is subject to a maximum of one year.

Goodwill arising on acquisition is recognised as an asset at the acquisition date and is initially measured at cost, being the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer previously held equity interest (if any) in the entity over net acquisition-date fair value amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit (including the goodwill), the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

The attributable amount of goodwill is included in the determination of gain or loss on disposal of the subsidiary or jointly controlled entity.

2.4 Revenue recognition

The Group is principally in the business of manufacturing and trading of gloves and other medical disposables products such as latex examination gloves, nitrile examination gloves and other ancillary products. Revenue from the sale of goods is recognised at the point in time when control of the goods is transferred to the customer, generally upon delivery in accordance with the applicable contractual shipping terms and customer acceptance provisions. Revenue is measured at a transaction price that reflects the consideration the Group expects to be entitled in exchange for the goods and that is allocated to that performance obligation.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.5 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs on general borrowings are capitalised by applying a capitalisation rate to construction or development expenditures that are financed by general borrowings. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.6 Retirement benefit costs

Payments to defined contribution retirement benefit plans are charged as an expense as they fall due. Payments made to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

The Group participates in the national pension schemes as defined by the laws of PRC. Subsidiaries incorporated in the PRC are required to provide staff pension benefits to their employees under existing PRC legislation. These subsidiaries are required to contribute a certain percentage of their payroll costs to the pension scheme to fund the benefits. The pension funds are managed by government agencies, which are responsible for paying pensions to the retired employees. Contributions under the pension scheme are charged to the profit or loss as they become payable in accordance with the rules of the pension scheme.

2.7 Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the financial year.

2.8 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) that have been enacted or substantively enacted in countries where the Company and subsidiaries operate by the end of the financial year.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and does not give rise to equal taxable and deductible temporary differences.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.8 Income tax (Continued)

Deferred tax liabilities are recognised on taxable temporary differences arising on investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

A deferred income tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each financial year and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the financial year and based on the tax consequence that will follow from the manner in which the Group expects, at the end of the financial year, to recover or settle the carrying amounts of its assets and liabilities except for the investment properties where investment properties measured at fair value are presented to be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited directly to equity, in which case the tax is also recognised directly in equity, or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

2.9 Dividends

Equity dividends are recognised as a liability when they become legally payable. Interim dividends are recorded in the financial year in which they are declared payable. Final dividends are recorded in the financial year in which dividends are approved by shareholders. A corresponding amount is recognised in equity.

2.10 Foreign currency transactions and translation

Foreign currency transactions are translated into the individual entities' respective functional currencies at the exchange rates prevailing on the date of the transaction. At the end of each financial year, monetary items denominated in foreign currencies are retranslated at the rates prevailing as of the end of the financial year. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items, and on retranslation of monetary items are included in profit or loss for the year. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the year except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity through other comprehensive income.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.10 Foreign currency transactions and translation (Continued)

Exchange differences relating to assets under construction for future productive use, are included in the cost of those assets where they are regarded as an adjustment to interest costs on foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Singapore dollars using exchange rates prevailing at the end of the financial year. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are taken to the foreign currency translation reserve.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

2.11 Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses. The cost of property, plant and equipment includes its purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Dismantlement, removal or restoration costs are included as part of the cost of property, plant and equipment if the obligation for dismantlement, removal or restoration is incurred as a consequence of acquiring or using the property, plant and equipment.

Subsequent expenditure relating to property, plant and equipment is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

Depreciation is charged so as to write off the cost, over their estimated useful lives, using the straight-line method, on the following bases:

Leasehold land	over the lease period of 50 to 73 years
Leasehold buildings	2%
Plant, machinery and equipment	5% to 20%
Motor vehicles	20%
Furniture and fittings	10% to 12%

For right-of-use assets for which ownership of the underlying asset is not transferred to the Group by the end of the lease term, depreciation is charged over the lease term, using the straight-line method. The lease periods are disclosed in Note 28.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.11 Property, plant and equipment (Continued)

No depreciation is charged on construction-in-progress as they are not yet in use as at the end of the financial year.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

The estimated useful lives, residual values and depreciation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

The gain or loss, being the difference between the sales proceeds and the carrying amount of the asset, arising on disposal or retirement of an item of property, plant and equipment is recognised in profit or loss.

Fully depreciated property, plant and equipment are retained in the financial statements until they are no longer in use.

2.12 Intangible assets

Acquired intangible assets are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value at the acquisition date. Subsequent to initial recognition, the intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

Acquired intangible assets have either finite or indefinite useful life.

Intangible assets with finite useful life are amortised over its useful life, using its straight-line method.

The amortisation charge is recognised in profit or loss and is assessed for impairment when there is an indication that the intangible asset may be impaired. The estimated amortisation period and amortisation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

Intangible assets with indefinite useful life are not amortised, but tested for impairment annually, and whenever there is an indication that the intangible asset may be impaired. The indefinite useful life of an intangible asset is reviewed at the end of each financial year and where events and circumstances do not continue to support the indefinite useful life assessment for that asset, a change from indefinite to finite useful life is accounted for as a change in accounting estimate and adjusted prospectively.

The intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal, with any gain or loss arising from the derecognition of an intangible asset, being the difference between the net disposal proceeds and the carrying amount of the asset, recognised in profit or loss.

Customer base

The customer base was acquired and recognised based on the fair value of consideration paid. This customer base is measured at cost less any accumulated amortisation and any impairment loss as it has definite useful lives from 10 to 21 years.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.12 Intangible assets (Continued)

Business licence

The business licence was acquired in a business combination and recognised based on the fair value of consideration paid. This business licence is measured at cost less any impairment loss as it has indefinite useful lives.

Computer software

Costs that are directly attributable to the development of the accounting software are capitalised when the recognition criteria for intangible assets are met.

Computer software is carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation commences when the computer software is available for use and is recognised in profit or loss on a straight-line basis over its estimated useful life of 5 to 20 years.

Computer software under development is not amortised until it is available for use.

2.13 Investments in associates

An associate is an entity over which the Group has significant influence, being the power to participate in the financial and operating policy decisions of the entity but is not control or of joint control of those policies, and generally accompanying a shareholding of 20% or more of the voting power.

Investments in associates are carried at cost less any impairment loss that has been recognised in profit or loss in the Company's separate financial statements.

The results and assets and liabilities of an associate are incorporated in these financial statements using the equity method of accounting. Under the equity method, investments in associates are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, less any impairment loss of individual investments. Losses in an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate. Distributions received from the associate reduce the carrying amount of the investment.

Unrealised profits and losses are eliminated to the extent of the Group's interest in the associate. Unrealised losses are also eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The Company has accounted for its investments in associates at cost in its separate financial statements.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.14 Investments in joint ventures

A joint arrangement is a contractual arrangement whereby two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

A joint arrangement is classified either as a joint operation or a joint venture, based on the rights and obligations of the parties to the arrangement.

To the extent the joint arrangement provides the Group with rights to the assets and obligations for the liabilities relating to the arrangement, the arrangement is a joint operation. To the extent the joint arrangement provides the Group with rights to the net assets of the arrangement, the arrangement is a joint venture.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

On acquisition of the investment in a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is accounted for as goodwill and is included in the carrying amount of the investment. Any excess of the Group's net fair value of the joint venture's identifiable assets and liabilities over the cost of the investment is included as income in the determination of the Group's share of the joint venture's profit or loss in the reporting period in which the investment is acquired.

The results and assets and liabilities of joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for under SFRS(I) 5, from the date on which the investees become classified as held for sale. Under the equity method, investments in joint ventures are carried at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the joint venture, less any accumulated losses of individual investments. The profit or loss reflects the share of results of the operations of the joint venture. Distributions received from the joint venture reduce the carrying amount of the investment. Where there has been a change recognised in other comprehensive income by the joint venture, the Group recognises its share of such changes in other comprehensive income. Unrealised profits and losses are eliminated to the extent of the Group's interest in the joint venture. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no impairment.

The Group's share of losses in a joint venture in excess of the Group's interest in that joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint venture) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the joint ventures. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

Any goodwill arising on the acquisition of the Group's interest in a joint venture is accounted for in accordance with the Group's accounting policy for goodwill arising on such acquisitions (see above).

The Company has accounted for its investments in joint ventures at cost less any accumulated impairment in its separate financial statements.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.15 Impairment of non-financial assets excluding goodwill

The Group reviews the carrying amounts of its non-financial assets as at each reporting date to assess for any indication of impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Irrespective of whether there is any indication of impairment, the Group also tests its intangible assets with indefinite useful lives for impairment annually by comparing their respective carrying amounts with their corresponding recoverable amounts.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss for the amount by which the asset's carrying amount exceeds the recoverable amount is recognised immediately in profit or loss, unless the relevant asset is carried at revalued amount, in which case the impairment loss is treated as revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior financial years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.16 Financial instruments

The Group recognises a financial asset or a financial liability in its statement of financial position when the Group becomes party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient, all financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value. Such trade receivables that do not contain a significant financing component or for which the Group applies a practical expedient are measured at transaction price as defined in SFRS(I) 15 *Revenue from Contracts with Customers* in Note 2.4.

The classification of the financial assets at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income and fair value through profit or loss ("FVTPL") depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The Group's business model refers to how the Group manages its financial assets in order to generate cash flows which determines whether cash flows will result from collecting contractual cash flows, selling financial assets or both.

The Group determines whether the asset's contractual cash flows are solely payments of principal and interest ("SPPI") on the principal amount outstanding to determine the classification of the financial assets.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Financial instruments (Continued)

Financial assets (Continued)

Financial assets at amortised cost

A financial asset is subsequently measured at amortised cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, the financial asset at amortised cost are measured using the effective interest method and is subject to impairment. Gains or losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts or payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial instrument, or where appropriate, a shorter period, to the net carrying amount of the financial instrument. Income and expense are recognised on an effective interest basis for debt instruments other than those financial instruments at fair value through profit or loss.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, and recognised in interest income.

Financial assets at FVTPL

A financial asset is subsequently measured at FVTPL if the financial asset is a financial asset held for trading, is not measured at amortised cost, or is irrevocably elected at initial recognition to be designated FVTPL if, by designating the financial asset as FVTPL, eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Gains or losses are recognised in profit or loss.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses ("ECL") on financial assets measured at amortised cost. At each reporting date, the Group assesses whether the credit risk on a financial asset has increased significantly since initial recognition by assessing the change in the risk of a default occurring over the expected life of the financial instrument. Where the financial asset is determined to have low credit risk at the reporting date, the Group assumes that the credit risk on a financial assets has not increased significantly since initial recognition.

The Group uses reasonable and supportable forward-looking information that is available without undue cost or effort as well as past due information when determining whether credit risk has increased significantly since initial recognition.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Financial instruments (Continued)

Financial assets (Continued)

Impairment of financial assets (Continued)

Where the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime ECL. Where the credit risk on that financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The Group applies the simplified approach to recognise the ECL for trade receivables, which is to measure the loss allowance at an amount equal to lifetime ECL. As a practical expedient, the Group uses an allowance matrix derived based on historical credit loss experience adjusted for current conditions and forecasts of future economic conditions for measuring ECL.

The amount of ECL or reversal thereof that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognised in profit or loss.

The Group directly reduces the gross carrying amount of a financial asset when the entity has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof.

For details on the Group's accounting policy for its impairment of financial assets, refer to Note 33.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the financial asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds receivables.

Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities and equity instruments issued by Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Ordinary share capital

Ordinary share capital is classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options are recognised as a deduction from equity.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Financial instruments (Continued)

Financial liabilities and equity instruments (Continued)

Financial liabilities

Initial recognition and measurement

All financial liabilities are initially measured at fair value, minus transaction costs, except for those financial liabilities classified as at fair value through profit or loss, which are initially measured at fair value.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or other financial liabilities.

Financial liabilities are classified as at fair value through profit or loss if the financial liability is either held for trading or it is designated as such upon initial recognition. Financial liabilities classified as at fair value through profit or loss comprise derivatives that are not designated or do not qualify for hedge accounting.

Other financial liabilities

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis. A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Borrowings

Interest-bearing bank loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Groups accounting policy for borrowing costs (see Note 2.5 above). A gain or loss is recognised in profit or loss when the liability is derecognised and through the amortisation process.

Financial guarantee contracts

The Company has issued corporate guarantees to banks for banking facilities granted by them to certain subsidiaries and these guarantees qualify as financial guarantees because the Company is required to reimburse the banks if these subsidiaries breach any repayment terms.

Financial guarantee contract liabilities are measured initially at their fair values plus transaction costs and subsequently at the higher of the amount of the loss allowance and the amount initially recognised less cumulative amortisation in accordance with SFRS(I) 15.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.16 Financial instruments (Continued)

Derivative financial instruments

The Group enters into derivative financial instruments to manage its exposure to foreign exchange rate risk comprising foreign exchange forward contracts.

Derivatives are initially recognised at their fair values at the date the derivative contract is entered into and are subsequently re-measured to their fair values at the end of each financial year. The method of recognising the resulting gain or loss depends on whether the derivative is designated and effective as a hedging instrument, and if so, the nature of the item being hedged.

Fair value changes on derivatives that are not designated or do not qualify for hedge accounting are recognised in profit or loss when the changes arise.

Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statements of financial position when and only when, an entity:

- (a) currently has a legally enforceable right to set-off the recognised amounts; and
- (b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.17 Inventories

Inventories are stated at the lower of cost and net realisable value. Costs comprise direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is measured based on standard cost which approximates actual cost and allocated by using the weighted average method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

2.18 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, demand deposits and short-term fixed deposits which are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value.

2.19 Leases

At inception of a contract, the Group assessed whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Where a contract contains more than one lease component, the Group allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component. Where the contract contains non-lease components, the Group applied the practical expedient to not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.19 Leases (Continued)

The Group recognises a right-of-use asset and lease liability at the lease commencement date for all lease arrangement for which the Group is the lessee, except for leases which have lease term of 12 months or less and leases of low value assets for which the Group applied the recognition exemption allowed under SFRS(I) 16 Leases. For these leases, the Group recognises the lease payment as an operating expense on a straight-line basis over the term of the lease.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. When the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property, plant and equipment. The right-of-use asset is also reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability, where applicable.

Right-of-use assets are presented within "property, plant and equipment".

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the lessee's incremental borrowing rate.

The Group generally uses the incremental borrowing rate as the discount rate. To determine the incremental borrowing rate, the Group obtains a reference rate and makes certain adjustments to reflect the terms of the lease and the asset leased.

The lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments less any lease incentive receivable,
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable under a residual value guarantee,
- the exercise price under a purchase option that the Group is reasonably certain to exercise, and
- payments of penalties for terminating the lease if the Group is reasonably certain to terminate early and lease payments for an optional renewal period if the Group is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. The Group remeasures the lease liability when there is a change in the lease term due to a change in assessment of whether it will exercise a termination or extension or purchase option or due to a change in future lease payment resulting from a change in an index or a rate used to determine those payment.

Where there is a remeasurement of the lease liability, a corresponding adjustment is made to the right-of-use asset or in profit or loss where there is a further reduction in the measurement of the lease liability and the carrying amount of the right-of-use asset is reduced to zero.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.20 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the financial year, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, which is discounted using a pre-tax discount rate.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Changes in the estimated timing or amount of the expenditure or discount rate are recognised in profit or loss as they arise.

2.21 Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attaching conditions will be complied with. Where the grant relates to an expense, the grant is recognised as income in profit or loss on a systematic basis over the periods in which the related costs, for which the grants are intended to compensate, is expensed. Where the grant relates to an asset, the grant is recognised as deferred capital grant on the statement of financial position and is amortised to profit or loss over the expected useful life of the relevant asset by equal annual instalment.

2.22 Contingencies

A contingent liability is:

- (a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- (b) a present obligation that arises from past events but is not recognised because:
 - (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.

Contingencies are not recognised on the statement of financial position of the Group, except for contingent liabilities assumed in a business combination that are present obligations and which the fair value can be reliably determined.

Notes to the Financial Statements

For the financial year ended 30 June 2026

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

2.23 Share-based payments

The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at fair value of the equity instruments (excluding the effect of non-market-based resting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of the number of equity instruments that will eventually vest and adjusted for the effect of non-market-based vesting conditions. At the end of each financial year, the Group revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised over the remaining vesting period with a corresponding adjustment to the equity-settled share options reserve.

Where the grant of equity instruments is cancelled or settled during the vesting period, other than a grant cancelled by forfeiture when the vesting conditions are not satisfied, the Group recognises immediately the amount that otherwise would have been recognised for services received over the remainder of the vesting period.

The transfer of the balance in the share option reserve to share capital or treasury shares upon exercise of the option and the transfer of the balance in the share option reserve to accumulated profits upon expiry of the option are not mandatory and may be kept as a separate reserve upon expiry or exercise of the option.

2.24 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the group of executive directors and the chief executive officer who make strategic decisions.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The Group made judgements, estimates and assumptions about the carrying amounts of assets and liabilities that were not readily apparent from other sources in the application of the Group's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors that are considered to be reasonable under the circumstances. Actual results may differ from the estimates.

3.1 Critical judgements made in applying the Group's accounting policies

Determination of functional currency

The Group translates foreign currency items into the respective functional currency of the Company and its subsidiaries. In determining the functional currency of the respective entities, judgement is used by the Group to determine the currency of the primary economic environment in which the respective entities operate. Consideration factors include the currency that mainly influences sales prices of goods and services and the currency of the country whose competitive forces and regulations mainly determines the sales prices of its goods and services.

Notes to the Financial Statements

For the financial year ended 30 June 2026

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

3.2 Key sources of estimation uncertainty

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Depreciation of property, plant and equipment

The Group depreciates the property, plant and equipment over their estimated useful lives. The estimated useful life reflects management's estimate of the period that the Group intends to derive future economic benefits from the use of the Group's property, plant and equipment. Changes in the expected level of usage and technological developments could affect the economics and useful lives of these assets which could then consequentially impact future depreciation charges. The carrying amounts of the Group's property, plant and equipment at 30 June 2026 were \$64,646,000 (2025: \$61,654,000) (Note 13).

Fair value of financial instruments

Where the fair values of financial instruments recorded on the statement of financial position cannot be derived from active markets, they are determined using valuation techniques, including the discounted cash flow model. The inputs to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing the fair values. The judgements include considerations of liquidity and model inputs regarding the future financial performance of the investee, its risk profile, and economic assumptions regarding the industry and geographical jurisdiction in which the investee operates. Changes in assumptions about these factors could affect the reported fair value of financial instruments. The valuation of financial instruments is described in more details in Note 35.

Inventory valuation method

Inventory is measured at the lower of cost and net realisable value. The Group measured cost based on standard costing where standard costs are estimated using unit costs at targeted output levels, including direct materials costs, direct labour costs, and indirect costs. The estimation of standard costs requires the separate estimation of standard costs for direct materials, direct labour, and overhead where judgements are involved on absorption and allocation of cost for each type of inventories. Management reviews the Group's inventory levels in order to identify slow-moving and obsolete merchandise and identifies items of inventory which have a market price, being the merchandise's selling price quoted from the market of similar items that is lower than its carrying amount. Changes in demand levels, technological developments and pricing competition could affect the saleability and values of the inventory which could then consequentially impact the Group's results, cash flows and financial position. Management estimates the amount of inventories loss as an allowance on inventories to ensure that the inventories amounts recorded are not above their corresponding net realisable value. The carrying amount of the Group's inventories as at 30 June 2026 was \$58,886,000 (2025: \$64,431,000) (Note 17). There was no allowance made on inventory for the year ended 30 June 2026 and 30 June 2025.

Notes to the Financial Statements

For the financial year ended 30 June 2026

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

Provision for income taxes and deferred taxes

The Group has exposure to income taxes in several jurisdictions of which a portion of these taxes arose from certain transactions and computations for which ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities of expected tax issues based on their best estimates of the likely taxes due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax positions in the period in which such determination is made. The carrying amounts of the Group's income tax liabilities and deferred tax liabilities as at 30 June 2026 were \$1,606,000 (2025: \$140,000) and \$3,109,000 (2025: \$2,246,000) respectively.

Recoverability of deferred tax assets

Deferred tax assets are recognised for all unutilised tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies. In determining the timing and level of future taxable profits together with future tax planning strategies, the Group assessed the probability of expected future cash inflows based on expected revenues from existing orders and contracts. Where taxable profits are expected in the foreseeable future, deferred tax assets are recognised on the unabsorbed capital allowances and unused tax losses. The carrying amount of the Group's deferred tax assets as at 30 June 2026 was \$4,804,000 (2025: \$2,603,000) respectively (Note 16).

Measurement of ECL of trade receivables

The Group uses an allowance matrix to measure ECL for trade receivables. The ECL rates are based on the Group's historical loss experience of the customers, for the last 3 years prior to the reporting date for various customer groups that are assessed by geographical locations, product types and internal ratings, adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the trade receivables. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the gross domestic production growth rates of the countries (e.g. Singapore, China, Malaysia, Brazil) and the growth rates of the major industries in which its customers operate. The Group adjusts the allowance matrix at each reporting date. Such estimation of the ECL rates may not be representative of the actual default in the future. The expected loss allowance on the Group's trade receivables as at 30 June 2026 is \$2,039,000 (2025: \$569,000) (Note 33).

Impairment of investments in subsidiaries and joint venture

At the end of each financial year, an assessment is made on whether there are indicators that the Company's investments are impaired. Where applicable, the Company's assessments are based on the estimation of the value-in-use of the assets defined in SFRS(I) 1-36 *Impairment of Assets* by forecasting the expected future cash flows using a suitable discount rate in order to calculate the present value of those cash flows. The Company's carrying amount of investments in subsidiaries and joint venture as at 30 June 2026 was \$31,024,000 and \$849,000 (2025: \$31,024,000 and \$826,000) (Note 10) and (Note 11) respectively.

Notes to the Financial Statements

For the financial year ended 30 June 2026

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (CONTINUED)

3.2 Key sources of estimation uncertainty (Continued)

Impairment of property, plant and equipment

The Group tests property, plant and equipment for impairment at least on an annual basis. Determining whether property, plant and equipment is impaired requires an estimation of the value-in-use of the cash-generating units ("CGU") to which property, plant and equipment has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. A reversal of impairment loss of \$1,299,000 was recognised during the financial year (2025: impairment loss of \$783,000). The carrying amount of property, plant and equipment as at 30 June 2026 was \$64,646,000 (2025: \$61,654,000) (Note 13).

Impairment of goodwill

The Group tests goodwill for impairment at least on an annual basis. Determining whether goodwill is impaired requires an estimation of the value-in-use of the CGU to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate present value. Impairment loss of \$Nil (2025: \$1,001,000) was recognised during the financial year. The carrying amount of the Group's goodwill on consolidation as at 30 June 2026 was \$18,417,000 (2025: \$18,417,000) (Note 15). Details of the estimates used to calculate the recoverable amount are given in Note 15 to the consolidated financial statements.

Valuation of financial asset held at FVTPL

Where the fair values of financial assets recorded in the statement of financial position cannot be derived from active markets, they are determined using valuation techniques. The inputs to these models are derived from observable market data where possible, but where this is not feasible, a degree of judgement is required in establishing the fair values. The judgements include considerations of the valuation techniques and significant assumptions and inputs used in the valuations. Changes in assumptions about these factors could affect the reported fair value of financial assets. The carrying amount of the Group's financial asset held at FVTPL as at 30 June 2026 was \$10,574,000 (2025: \$10,056,000) (Note 22).

4. REVENUE

	Group	
	2026	2025
	\$'000	\$'000
Revenue from contracts with customers:		
- Latex examination gloves	66,671	61,273
- Nitrile examination gloves	67,440	66,323
- Other ancillary products	16,713	16,478
	150,824	144,074

The revenue is derived from the sale of goods which is recognised based on point in time. The Group has applied the practical expedient in SFRS(I) 15 and has not disclosed information relating to remaining performance obligations for contracts that have an original expected duration of one year or less (i.e. mainly from the sale of goods due to the nature of the transactions).

Notes to the Financial Statements

For the financial year ended 30 June 2026

4. REVENUE (CONTINUED)

The disaggregation of revenue from contracts with customers is as follows:

Geographical markets ^(a)	Reportable segments									
	Latex examination gloves		Nitrile examination gloves		Other ancillary products		Total		Inter-segment revenue	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Europe	18,374	18,406	104,121	104,299	14,386	14,584	136,881	137,289	(43,829)	(49,239)
North America	905	847	8,144	7,626	1,677	2,563	10,726	11,036	(1,952)	–
South America	13,141	13,214	1,460	1,468	549	1,182	15,150	15,864	(4,775)	(3,906)
Africa	4,094	10,672	7,604	2,668	4,986	2,191	16,684	15,531	(6,123)	(7,312)
Asia	74,485	72,255	10,521	9,832	3,655	6,010	88,661	88,097	(64,788)	(65,719)
Malaysia [#]	3,309	1,796	877	635	3	2	4,189	2,433	–	–
	114,308	117,190	132,727	126,528	25,256	26,532	272,291	270,250	(121,467)	(126,176)
									150,824	144,074

^(a) The disaggregation is based on the location of customers from which revenue was generated.

[#] Includes revenue from intermediaries that export Group products to overseas market.

The revenue is derived from the sale of goods which is recognised based on point in time.

Notes to the Financial Statements

For the financial year ended 30 June 2026

5. OTHER INCOME

	Group	
	2026	2025
	\$'000	\$'000
Interest income	624	793
Gain on disposal of property, plant and equipment	187	–
Gain on remeasurement of derivative financial assets	–	91
Gain on remeasurement of previously held interests in associates	–	606
Reversal of impairment on property, plant and equipment (Note 13)	1,299	–
Fair value gain on derivative financial instruments	442	–
Others	36	516
	2,588	2,006

6. FINANCE COSTS

	Group	
	2026	2025
	\$'000	\$'000
Interest expenses on:		
- Bank loans	2,497	2,154
- Lease liabilities	43	32
	2,540	2,186

Notes to the Financial Statements

For the financial year ended 30 June 2026

7. PROFIT/(LOSS) BEFORE INCOME TAX

The following charges were included in the determination of profit/(loss) before income tax:

	Group	
	2026	2025
	\$'000	\$'000
Cost of inventories recognised as expense in cost of sales	51,394	60,836
Audit fees paid to:		
- Auditor of the Company	158	153
- Other auditors	158	139
Non-audit fees paid to other auditors	19	18
Directors' fees of the Company	120	312
Directors' remuneration other than fees of the Company:		
- Salary	560	538
- Bonus and allowances	–	33
- Defined contribution plans	33	34
- Other benefits	–	5
- Profit sharing scheme	408	–
Staff costs (excluding directors' remuneration)		
- Salary	20,010	19,290
- Defined contribution plans	2,070	1,834
- Other benefits	632	260
Loss allowance on trade receivables (Note 33)	1,447	35
Impairment loss on property, plant and equipment (Note 13)	–	783
Impairment loss of goodwill (Note 15)	–	1,001
Foreign exchange loss, net	–	78
Fair value loss on derivative financial instruments	–	571

Notes to the Financial Statements

For the financial year ended 30 June 2026

8. INCOME TAX EXPENSE

	Group	
	2026	2025
	\$'000	\$'000
Current income tax		
- Current	2,514	861
- Under/(over) provision of income tax in prior years	25	(84)
	2,539	777
Deferred income tax		
- Origination and reversal of temporary differences	(1,186)	202
Total income tax expense	1,353	979

The Company is incorporated in Singapore and accordingly is subject to income tax rate of 17% (2025: 17%). Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions. There were no changes in the enterprise income tax of the different applicable jurisdictions in the current year from the last year.

Reconciliation of effective tax rate is as follows:

	Group	
	2026	2025
	\$'000	\$'000
Profit/(Loss) before income tax	4,003	(3,743)
Income tax at statutory rate of 17% (2025: 17%)	681	(636)
Add/(Less):		
- Tax effect of share of results of associate	–	14
- Tax effect of share of results of joint venture	5	(8)
- Effect of different tax rates of overseas operations	797	(27)
- Effect of income not subject to tax	(260)	(8)
- Effect of tax incentives	(29)	–
- Under/(over) provision of income tax in prior years	25	(84)
- Effect of non-allowable items	708	857
- Utilisation of previously unrecognised tax losses	(574)	–
- Unrecognised tax losses	–	871
Total income tax expense for the financial year	1,353	979

Notes to the Financial Statements

For the financial year ended 30 June 2026

8. INCOME TAX EXPENSE (CONTINUED)

The unrecognised deferred tax assets arise as result of:

	Group	
	2026 \$'000	2025 \$'000
Tax losses	12,517	15,893

The tax losses are subject to agreement by tax authorities and compliance with tax regulations in the respective countries in which the certain subsidiaries operate. Deferred tax assets have not been recognised in respect of the tax losses due to uncertainty in the availability of future taxable profit against which the Group can utilise the tax losses.

9. EARNINGS/(LOSS) PER SHARE

The calculation of basic and diluted earnings/(loss) per share attributable to the owners of the Company is based on the following data:

	Group	
	2026 \$'000	2025 \$'000
<u>Profit/(Loss)</u>		
Profit/(Loss) for the purposes of basic and diluted earnings/(loss) per share, being profit/(loss) for the year attributable to owners of the Company	2,099	(4,097)
<u>Number of shares</u>		
Weighted average number of ordinary shares for the purposes of basic shares	623,825,811	623,825,811
<u>Earnings/(Loss) per share (cents)</u>		
- basic/diluted	0.34	(0.66)

The calculations of the basic earnings or loss per share are calculated by dividing the profit or loss for the year attributable to owners of the Company by the applicable weighted average number of ordinary shares. This profit or loss and share data are presented in the tables above.

There are no dilutive potential ordinary shares for the financial years ended 30 June 2026 and 2025. Hence, the basic earnings or loss per share is the same as the diluted earnings or loss per share.

Notes to the Financial Statements

For the financial year ended 30 June 2026

10. SUBSIDIARIES

	Company	
	2026	2025
	\$'000	\$'000
Unquoted equity share, at cost	58,102	58,102
Less: Allowance for impairment loss	(27,078)	(27,078)
	31,024	31,024

Movements in allowance for impairment loss of investment in subsidiaries during the financial year are as follows:

	Company	
	2026	2025
	\$'000	\$'000
At beginning of year and at end of year	27,078	27,078

An assessment is made on whether there are any indicators that the Company's investments are impaired. Based on the assessment performed, no impairment loss was recognised for the financial years ended 30 June 2026 and 30 June 2025.

The details of the subsidiaries are as follows:

Name of subsidiaries (Country of incorporation/operation)	Principal activities	Effective equity interest held by the Company	
		2026	2025
		%	%
Held directly by the Company			
N.S. Uni-Gloves Sdn. Bhd. ⁽¹⁾ / Malaysia (“ NSUG ”)	Manufacturing of rubber gloves	100	100
UG Global Resources Sdn. Bhd. ⁽¹⁾ / Malaysia (“ UGGR ”)	Manufacturing of rubber gloves	100	100
UG Glovetech Sdn. Bhd. ⁽¹⁾ / Malaysia	Investment holding	100	100
Unigloves (Singapore) Pte. Ltd. ⁽²⁾ / Singapore	Investment holding and business and management consultancy services	100	100
UGHC Marketing Pte. Ltd. ⁽²⁾ / Singapore	Distribution of gloves and other medical disposables	100	100
UG Engineering Sdn. Bhd. ⁽¹⁾ / Malaysia	Investment holding	100	100

Notes to the Financial Statements

For the financial year ended 30 June 2026

10. SUBSIDIARIES (CONTINUED)

The details of the subsidiaries are as follows (Continued):

Name of subsidiaries (Country of incorporation/operation)	Principal activities	Effective equity interest held by the Company	
		2026	2025
		%	%
<u>Held directly by the Company</u>			
UG Healthcare Sdn. Bhd. ⁽¹⁾ / Malaysia	Investment holding	100	100
Indigo Teguh Sdn. Bhd. ⁽¹⁾ / Malaysia	Investment holding	100	100
<u>Held through Unigloves (Singapore) Pte. Ltd. (“UGS”)</u>			
Unigloves (UK) Limited ⁽³⁾ / United Kingdom	Distribution of gloves and other medical disposables	55	55
Unigloves Shanghai Co., Ltd. ⁽⁵⁾ / China	Distribution of gloves and other medical disposables	100	100
Uni-Medical Healthcare Limited ⁽⁷⁾ / Nigeria	Distribution of gloves and other medical disposables	75	75
UGHC Brasil Importadora LTDA ⁽⁶⁾ / Brazil	Distribution of gloves and other medical disposables	90	90
优格 (成都) 国际贸易有限公司 ⁽⁴⁾ / China	Distribution of gloves and other medical disposables	100	100
友利格 (苏州) 国际贸易有限公司 ⁽⁴⁾ / China	Distribution of gloves and other medical disposables	100	100
Unigloves GmbH ⁽⁵⁾ / Germany	Investment holding	100	100
UG Healthcare (USA) Inc. ⁽⁴⁾⁽⁸⁾ / United States (“UGHC USA”)	Distribution of gloves and other medical disposables	75	75
<u>Held through Unigloves GmbH</u>			
Unigloves Arzt- und Klinikbedarf - Handelsgesellschaft mbH ⁽⁵⁾ / Germany	Distribution of gloves and other medical disposables	100	100
<u>Held through Unigloves (UK) Limited</u>			
Unigloves (Ireland) Limited ⁽⁴⁾ / Ireland	Distribution of gloves and other medical disposables	55	55

⁽¹⁾ Audited by another firm of auditors, Crowe Malaysia PLT.

⁽²⁾ Audited by Forvis Mazars LLP, Singapore.

⁽³⁾ Audited by another firm of auditors, Kreston Reeves LLP, UK.

⁽⁴⁾ Not audited as insignificant to the Group.

⁽⁵⁾ Audited by overseas member firm of Forvis Mazars LLP.

⁽⁶⁾ Audited by another firm of auditors, Crowe Consult Consultoria Empresarial.

⁽⁷⁾ Audited by Forvis Mazars LLP, Singapore with specified audit procedures performed for Group consolidation purposes.

⁽⁸⁾ On 22 January 2025, UGS entered into a share purchase agreement to acquire additional equity interests of 25% in UGHC USA. Subsequent to the acquisition, the effective equity interest held by UGS in UGHC USA has increased from 50% to 75%. As a result, UGHC USA has become a 75% owned subsidiary of the Company.

Notes to the Financial Statements

For the financial year ended 30 June 2026

10. SUBSIDIARIES (CONTINUED)

The Group has the following subsidiaries which have non-controlling interests that are material to the Group:

Subsidiaries	Proportion of ownership interest held by NCI		Profit/(Loss) allocated to NCI during the financial year		Accumulated NCI at the reporting date (Inclusive foreign exchange differences)	
	2026	2025	2026	2025	2026	2025
	%	%	\$'000	\$'000	\$'000	\$'000
UGHC Brasil Importadora LTDA	10	10	(51)	290	(912)	(813)
Unigloves (UK) Limited	45	45	665	(794)	(951)	(1,583)

Summarised financial information (before intercompany eliminations):

	UGHC Brasil Importadora LTDA		Unigloves (UK) Limited	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Assets	45,181	42,988	18,418	26,030
Non-current	7,606	5,842	157	266
Current	37,575	37,146	18,261	25,764
Liabilities	53,523	51,005	13,177	22,629
Non-current	–	–	–	–
Current	53,523	51,005	13,177	22,629
Net (liabilities)/assets	(8,342)	(8,017)	5,241	3,401
Revenue	10,375	11,958	43,922	47,676
Profit/(Loss) after income tax	182	1,944	1,914	(2,275)
Total comprehensive (loss)/income	(325)	2,310	1,840	(2,343)
Net cash flows generated from/(used in) operations	1	(418)	(275)	(100)

Notes to the Financial Statements

For the financial year ended 30 June 2026

10. SUBSIDIARIES (CONTINUED)

(a) Acquisition of subsidiary – UGHC USA

On 22 January 2025, the Group acquired a controlling interest in UGHC USA, increasing its ownership from 50% to 75% to strengthen its downstream distribution business in the United States. Total consideration has been paid in cash at the date of acquisition. This resulted in UGHC USA being reclassified from an associated company to a 75% owned subsidiary.

The fair values of the identifiable assets and liabilities of UGHC USA as at the date of acquisition, are as follows:

	Fair value recognised on date of acquisition \$'000
Assets	
Trade and other receivables	290
Inventories	592
Cash and cash equivalents	711
	1,593
Liabilities	
Borrowings	(79)
Trade and other payables	(371)
	(450)
Net identifiable assets at fair value	1,143
Less: Fair value of previously held equity interest (50%)	(1,181)
Less: Non-controlling interest	(286)
Add: Goodwill arising from acquisition (Note 15)	1,001
Total consideration	677

The gross contractual amount receivables for trade and other receivables approximate the fair value as presented above. None of these receivables are expected to be uncollectible.

From the date of acquisition, UGHC USA has contributed \$1,927,000 and \$848 to the revenue and loss net of tax of the Group respectively. If the combination has taken place at the beginning of the financial year, the Group's revenue and loss, net of tax would have been approximately \$3,742,000 and \$127,000 respectively.

Notes to the Financial Statements

For the financial year ended 30 June 2026

10. SUBSIDIARIES (CONTINUED)

(a) Acquisition of subsidiary – UGHC USA (Continued)

Effects of the acquisition of the subsidiary on cash flows

	\$'000
Total consideration for 25% equity interest acquired	677
Less: Cash and cash equivalents of subsidiary acquired	(711)
	<u>(34)</u>

11. JOINT VENTURE

	Group	
	2026	2025
	\$'000	\$'000
Unquoted equity shares, at cost	732	732
Share of post-acquisition results	76	47
Exchange differences	41	47
	<u>849</u>	<u>826</u>

Name of joint venture (Country of incorporation/operation)	Principal activities	Effective equity interest held by the Company	
		2026	2025
		%	%
Held through Unigloves (Singapore) Pte. Ltd. ("UGS")			
UG Nitrex, S. L. ⁽¹⁾ / Spain	Distribution of reusable gloves and disposables gloves	50.0	50.0
Held through UG Nitrex S. L.			
Nitrex SAS ⁽¹⁾ / France	Distribution of reusable gloves and disposables gloves	22.5	22.5

⁽¹⁾ Not audited as insignificant to the Group.

Notes to the Financial Statements

For the financial year ended 30 June 2026

12. ASSOCIATES

	Group	
	2026 \$'000	2025 \$'000
Unquoted equity shares, at cost	—	655
Exchange differences	—	5
Share of post-acquisition results	—	(84)
Transitioned to subsidiary	—	(576)
Carrying amount	—	—

The details of the associates are as follows:

Name of associates (Country of incorporation/operation)	Principal activities	Effective equity interest held by the Company	
		2026	2025
		%	%
Held through Unigloves (Singapore) Pte. Ltd. ("UGS")			
UG Healthcare (USA) Inc. ⁽¹⁾ / United States ("UGHC USA")	Distribution of gloves and other medical disposables	—	—

- (1) On 22 January 2025, UGS entered into a share purchase agreement (the "Acquisition") to acquire additional equity interests of 25% in UGHC USA for a cash consideration of US\$500,000 (equivalent to \$679,100). Subsequent to the Acquisition, the effective equity interest and the carrying amount held by UGS in UGHC USA has increased from 50% to 75% and \$578,472 to \$1,256,022 respectively. As a result, UGHC USA has become a 75% owned subsidiary of the Company.

Notes to the Financial Statements

For the financial year ended 30 June 2026

13. PROPERTY, PLANT AND EQUIPMENT

Group	Leasehold land \$'000	Leasehold buildings \$'000	Plant, machinery and equipment \$'000	Motor vehicles \$'000	Furniture and fittings \$'000	Construction- in-progress \$'000	Right-of-use assets \$'000	Total \$'000
Cost								
At 1 July 2024	4,403	11,125	35,817	1,569	2,604	27,293	2,080	84,891
Additions	289	3,114	1,377	114	57	1,088	383	6,422
Acquisition of a subsidiary	–	–	265	–	–	–	–	265
Write off	–	–	(366)	(79)	(32)	–	(824)	(1,301)
Exchange translation differences	209	95	1,728	(48)	56	1,320	50	3,410
At 30 June 2025	4,901	14,334	38,821	1,556	2,685	29,701	1,689	93,687
Reclassification	–	10,739	20,016	–	7	(30,762)	–	–
Additions	–	431	1,611	145	194	236	1,897	4,514
Write off	–	–	(565)	(83)	(50)	–	(428)	(1,126)
Disposal	–	–	(4,012)	(20)	–	–	–	(4,032)
Exchange translation differences	279	944	2,153	116	120	1,217	17	4,846
At 30 June 2026	5,180	26,448	58,024	1,714	2,956	392	3,175	97,889
Accumulated depreciation								
At 1 July 2024	(621)	(1,954)	(15,959)	(945)	(1,609)	–	(1,217)	(22,305)
Depreciation	(81)	(451)	(1,786)	(224)	(281)	–	(609)	(3,432)
Acquisition of a subsidiary	–	–	(265)	–	–	–	–	(265)
Write off	–	–	163	79	31	–	747	1,020
Exchange translation differences	(32)	(60)	(822)	17	(39)	–	(34)	(970)
At 30 June 2025	(734)	(2,465)	(18,669)	(1,073)	(1,898)	–	(1,113)	(25,952)
Depreciation	(80)	(790)	(3,219)	(161)	(225)	–	(1,135)	(5,610)
Write off	–	–	198	75	47	–	348	668
Disposal	–	–	4,008	20	–	–	–	4,028
Exchange translation differences	(39)	(147)	(936)	(81)	(78)	–	(15)	(1,296)
At 30 June 2026	(853)	(3,402)	(18,618)	(1,220)	(2,154)	–	(1,915)	(28,162)

Notes to the Financial Statements

For the financial year ended 30 June 2026

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Group	Leasehold land \$'000	Leasehold buildings \$'000	Plant, machinery and equipment \$'000	Motor vehicles \$'000	Furniture and fittings \$'000	Construction- in-progress \$'000	Right-of-use assets \$'000	Total \$'000
Accumulated impairment losses								
At 1 July 2024	–	–	(1,188)	–	–	(3,852)	–	(5,040)
Impairment loss	–	–	–	–	–	(783)	–	(783)
Exchange translation differences	–	–	(61)	–	–	(197)	–	(258)
At 30 June 2025	–	–	(1,249)	–	–	(4,832)	–	(6,081)
Reclassification	–	–	(5,027)	–	–	5,027	–	–
Reversal	–	–	1,299	–	–	–	–	1,299
Exchange translation differences	–	–	(104)	–	–	(195)	–	(299)
At 30 June 2026	–	–	(5,081)	–	–	–	–	(5,081)
Carrying amount								
At 30 June 2026	4,327	23,046	34,325	494	802	392	1,260	64,646
At 30 June 2025	4,167	11,869	18,903	483	787	24,869	576	61,654

The leasehold land and buildings of the Group with carrying amount of \$13,261,000 (2025: \$6,914,000) are pledged to secure the bank borrowings (Note 26).

Certain motor vehicles with carrying amount of \$558,000 (2025: \$12,000) were acquired under finance lease arrangements (Note 28) and are registered under the name of subsidiary.

Notes to the Financial Statements

For the financial year ended 30 June 2026

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Effects of the additions of property, plant and equipment on cash flows:

	Group	
	2026 \$'000	2025 \$'000
Total additions during the year	4,514	6,422
Additions on right-of-use assets	(1,897)	(383)
Reclassification from prepayments (acquisition of a warehouse)	–	(2,884)
Net cash outflows on addition of property, plant and equipment	2,617	3,155

Impairment testing of property, plant and equipment

During the financial year, the Group carried out a review of the recoverable amount of its manufacturing plant and equipment, having regard to its introduction of new and existing product lines.

As at 30 June 2026, the recoverable amount of the CGUs were determined to be \$17,936,000 (2025: \$25,304,000) for NSUG and \$17,801,000 (2025: \$24,293,000) for UGGR respectively based on value-in-use calculations.

During the financial year, a reversal of impairment loss of \$1,299,000 was recognised as other income in profit or loss, following a change in the Group's business plan to redeploy the manufacturing plant and equipment that had been previously impaired for other production use. No impairment loss was recognised in profit or loss during the financial year (2025: impairment loss of \$783,000). The discount rate used in measuring value-in-use was 9%. The reporting segment to which the manufacturing plant and equipment belong to is latex examination gloves, nitrile examination gloves and other ancillary products.

Key assumptions on which management has based its cash flow projections for the respective periods of the CGUs are as follows:

	NSUG		UGGR	
	2026	2025	2026	2025
Growth rates (i)	0% to 100%	-10% to 32%	3% to 13%	4% to 9%
Discount rate (ii)	9%	13%	9%	13%
Budgeted gross margin (iii)	5% to 8%	2% to 12%	8%	6% to 12%

Notes to the Financial Statements

For the financial year ended 30 June 2026

13. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Key assumptions used in the value-in-use calculations:

- (i) **Growth rates:** The projected revenue growth rates used are based on the published industry research, adjusted for the specific circumstances of the CGUs and based on management's experience, and do not exceed the long-term average growth rate for the corresponding industry of the CGUs.
- (ii) **Discount rate:** The discount rate used is based on the weighted average cost of the Group's capital (the "WACC"), adjusted for the specific circumstances of the CGUs and based on management's experience, and re-grossed back to arrive at the pre-tax rate.
- (iii) **Budgeted gross margin:** Budgeted gross margin is determined based on past performance and its expectation of market developments.

Sensitivity to changes in assumptions:

Management performed sensitivity analyses on the key assumptions used in determining the recoverable amounts of the CGUs.

For NSUG, management is of the view that any reasonably possible change in any of the above key assumptions is not likely to cause the CGU's carrying amount to exceed its recoverable amount.

For UGGR, a hypothetical 1% increase in the discount rate would reduce the excess of the recoverable amount over the carrying amount to approximately \$2.002 million (2025: Nil). Similarly, a hypothetical 1% decrease in the budgeted gross margin would reduce the excess of the recoverable amount over the carrying amount to approximately \$3.310 million (2025: Nil).

Notes to the Financial Statements

For the financial year ended 30 June 2026

14. INTANGIBLE ASSETS

	Group	
	2026 \$'000	2025 \$'000
Business licence ⁽ⁱ⁾	215	245
Computer software ⁽ⁱⁱ⁾	303	619
Customer base ⁽ⁱⁱⁱ⁾	3,558	3,761
	4,076	4,625

(i) This pertains to the business licence to operate the business for a subsidiary in Nigeria.

(ii) This pertains to the acquisition of computer software by subsidiaries in Brazil, Singapore and Malaysia.

(iii) This pertains to the acquisition of customer base by subsidiaries in the United Kingdom, Shanghai and Germany.

Movement of the intangible assets:

	Group	
	2026 \$'000	2025 \$'000
<u>Cost</u>		
Balance at 1 July	5,050	4,856
Additions	195	173
Write off	(519)	–
Exchange translation differences	21	21
Balance at 30 June	4,747	5,050
<u>Accumulated amortisation</u>		
Balance at 1 July	(425)	(126)
Amortisation	(248)	(295)
Exchange translation differences	2	(4)
Balance at 30 June	(671)	(425)
<u>Carrying amount</u>		
At 30 June	4,076	4,625

Notes to the Financial Statements

For the financial year ended 30 June 2026

15. GOODWILL

	Group	
	2026	2025
	\$'000	\$'000
<u>Cost</u>		
Balance at 1 July	19,418	18,417
Goodwill arising on acquisition of a subsidiary	–	1,001
Balance at 30 June	19,418	19,418
<u>Accumulated impairment loss</u>		
Balance at 1 July	(1,001)	–
Impairment loss recognised	–	(1,001)
Balance at 30 June	(1,001)	(1,001)
<u>Carrying amount</u>		
At 30 June	18,417	18,417

Goodwill acquired in a business combination is allocated to the cash-generating unit that is expected to benefit from the business combination.

Impairment testing of goodwill

The Group tests CGU for impairment annually, or more frequently when there is an indication for impairment.

The recoverable amount of the CGU was determined to be \$55,824,000 (2025: \$40,518,000) for Unigloves GmbH based on value-in-use calculation. Based on this assessment, no impairment for goodwill identified by the management for the financial year.

No recoverable amount was determined for UGHC USA as at 30 June 2026 as no goodwill remained allocated to the CGU (2025: \$727,000).

Cash flow projections used in the value-in-use calculations were based on financial budgets approved by Board of Directors covering a five-year period. The key assumptions for these value-in-use calculations are those regarding the discount rates, growth rates and expected changes to gross margins during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to the CGU. The growth rates are based on industry growth forecasts. Changes in gross margins are based on past practices and expectations of future changes in the market.

Notes to the Financial Statements

For the financial year ended 30 June 2026

15. GOODWILL (CONTINUED)

Key assumptions on which management has based its cash flow projections for the respective periods of the significant CGU are as follows:

	UGHC USA		Unigloves GmbH	
	2026	2025	2026	2025
	%	%	%	%
Gross margin ⁽ⁱ⁾	–	31	36	29
Growth rates ⁽ⁱⁱ⁾	–	5 to 7	8	5 to 8
Discount rates ⁽ⁱⁱⁱ⁾	–	11	8	11

Key assumptions used in the value-in-use calculations

- (i) *Budgeted gross margins* – Budgeted gross margins are determined based on past performance and its expectations of market developments.
- (ii) *Growth rates* – The forecasted growth rates are based on published industry research relevant to the CGUs, if any or based on management experience, taking into account of the forecasted growth rates relevant to the environment where the CGUs operate in.
- (iii) *Discount rates* – The discount rates used are based on the weighted average cost of the CGU's capital (the "WACC"), adjusted for the specific circumstances of the CGU and based on management's experience, and re-grossed back to arrive at the pre-tax rates.

Sensitivity to changes in assumptions

Management is of the view that any reasonable possible change in any of the above key assumptions are not likely to materially cause the CGU carrying amount to exceed its recoverable amount.

Impairment loss recognised

During the financial year ended 30 June 2025, an impairment loss of \$1,001,000 has been recognised for goodwill relating to UGHC USA mainly due to changes in net working capital and terminal growth rate after taking into account the uncertainties of the current economic conditions and performance of the subsidiary's business operation, resulting in the inability to recover the carrying amount of goodwill. No impairment loss on goodwill was identified by the management during the financial year.

Notes to the Financial Statements

For the financial year ended 30 June 2026

16. DEFERRED TAX

	Group	
	2026 \$'000	2025 \$'000
Deferred tax assets	4,804	2,603
Deferred tax liabilities	(3,109)	(2,246)

Movements in deferred tax assets/(liabilities) of the Group during the financial year are as follows:

Group	Unabsorbed capital allowances and tax losses (Note a) \$'000	Others (Note b) \$'000	Total \$'000
Deferred tax assets			
At 1 July 2024	2,464	656	3,120
Credited to profit or loss	416	(799)	(383)
Exchange translation differences	(134)	–	(134)
At 30 June 2025	2,746	(143)	2,603
Credited to profit or loss	1,408	545	1,953
Exchange translation differences	248	–	248
At 30 June 2026	4,402	402	4,804

Group	Accelerated tax depreciation \$'000	Others (Note c) \$'000	Total \$'000
Deferred tax liabilities			
At 1 July 2024	(1,742)	(597)	(2,339)
Charged to profit or loss	146	35	181
Exchange translation differences	(88)	–	(88)
At 30 June 2025	(1,684)	(562)	(2,246)
Charged to profit or loss	(795)	28	(767)
Exchange translation differences	(96)	–	(96)
At 30 June 2026	(2,575)	(534)	(3,109)

- (a) Deferred tax assets are recognised to the extent that realisation of the related tax benefits through future taxable profits is probable.
- (b) Others pertains to deferred tax assets calculated from unrealised profit from inventories.
- (c) The deferred tax liability relates to the acquisition of Unigloves GmbH.

Notes to the Financial Statements

For the financial year ended 30 June 2026

17. INVENTORIES

	Group	
	2026 \$'000	2025 \$'000
Finished goods	50,483	58,692
Work-in-progress	4,637	3,857
Raw materials	3,766	1,882
	58,886	64,431

18. AMOUNTS DUE FROM/(TO) SUBSIDIARIES

The amounts due from/(to) subsidiaries are non-trade in nature, interest free, repayable on demand and denominated in Singapore dollars, United States dollars and Euro.

19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Trade receivables				
- third parties	36,637	34,151	–	–
- joint venture	130	242	–	–
Less: Loss allowances (Note 33)	(2,039)	(569)	–	–
	34,728	33,824	–	–
Other receivables				
- third parties	8,718	8,792	264	219
Prepayments	5,155	4,808	24	65
Total trade and other receivables	48,601	47,424	288	284

Trade and other receivables are unsecured, non-interest bearing and subject to normal credit terms. The average credit period on sale of goods is 30 to 180 days (2025: 30 to 180 days). They are recognised at the transaction price which represent their fair value on initial recognition.

Included in prepayments are payments made for acquisition of warehouse amounting to \$2,222,000 (2025: \$1,259,000). The prepayments will be reclassified to property, plant and equipment upon completion of the acquisition, following the fulfilment of the conditions precedent under the sale and purchase agreement and when the Company obtains control of the freehold land.

The details of the impairment of trade and other receivables and credit exposures are disclosed in Note 33.

Notes to the Financial Statements

For the financial year ended 30 June 2026

19. TRADE AND OTHER RECEIVABLES (CONTINUED)

The currency profiles of the Group's and Company's trade and other receivables as at 30 June are as follows:

	Group		Company	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
United States dollar ("USD")	3,128	2,589	—	—
Chinese Yuan Renminbi ("CNY")	1,584	1,158	—	—
Pound sterling ("GBP")	3,300	5,414	—	—
Euro ("EUR")	3,150	3,760	—	—
Brazilian Real ("BRL")	27,544	25,587	—	—
Malaysian ringgit ("MYR")	6,893	5,885	—	—
Singapore dollar ("SGD")	307	297	288	284
Others	2,695	2,734	—	—
	48,601	47,424	288	284

20. CASH AND CASH EQUIVALENTS

	Group		Company	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Cash and bank balances	5,651	5,997	240	302
Fixed deposits	21,759	17,294	12,373	12,187
Cash and cash equivalents	27,410	23,291	12,613	12,489

Fixed deposits bear interest at an average rate of 2.65% (2025: 3.47%) per annum and are for a tenure of period range from 14 to 365 days (2025: 14 to 365 days).

The currency profiles of the Group's and the Company's cash and cash equivalents as at 30 June are as follows:

	Group		Company	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
USD	15,260	13,870	8,571	8,116
CNY	6,054	6,453	3,996	4,264
GBP	233	216	—	—
EUR	3,024	163	—	—
BRL	100	87	—	—
MYR	2,504	1,857	—	—
SGD	86	235	46	109
Others	149	410	—	—
	27,410	23,291	12,613	12,489

Notes to the Financial Statements

For the financial year ended 30 June 2026

20. CASH AND CASH EQUIVALENTS (CONTINUED)

For the purpose of presenting the consolidated statement of cash flows, cash and cash equivalents comprise the following at the end of the financial year:

	Group	
	2026	2025
	\$'000	\$'000
Cash and bank balances	27,410	23,291
Fixed deposits pledged to financial institution	(704)	(654)
Cash and cash equivalents	26,706	22,637

The fixed deposits were pledged to financial institutions as securities for banking facilities and performance guarantees of the Group.

21. SHARE CAPITAL

	Group and Company	
	No. of shares	
	('000)	\$'000
At beginning and end of the financial year	623,826	59,652

Fully paid ordinary shares carry one vote per share and carry a right to dividends as and when declared by the Company. All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The newly issued shares rank pari passu in all respects with the previously issued shares.

22. FINANCIAL ASSET HELD AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	2026	2025
	\$'000	\$'000
Balance at beginning of financial year	10,056	9,572
Foreign exchange difference	518	484
Financial asset held at FVTPL	10,574	10,056

On 10 October 2023, the Group, via its subsidiary Indigo Teguh Sdn. Bhd. ("ITSB"), entered into a Tripartite Exclusive Development and Management Agreement with the Proprietors of the lands and Lumayan Cergas Management Sdn. Bhd. ("Lumayan") in relation to the acquisition and development of seven pieces of Malay Reserve lands ("the lands"). Lumayan is a related party of the Group as its major shareholder is also one of the directors of the Company.

Profits arising from the Active Retirement Home Project and Healthcare Project are distributed according to a defined order of priority, with Indigo entitled to 35% and 55% respectively of residual profits after settlement of construction and land costs, statutory and professional fees, and repayment of any financing obligations.

The fair value techniques and inputs used to determine the financial asset held at FVTPL is disclosed in Note 35.

The investment in financial asset held at FVTPL is denominated in Ringgit Malaysia.

Notes to the Financial Statements

For the financial year ended 30 June 2026

23. RESERVES

Foreign currency translation reserve

The foreign currency translation reserve represents exchange differences arising from the translation of the financial statements of foreign operations where functional currencies are different from that of the Group's presentation currency.

Merger reserves

This represents the difference between the nominal value of shares issued by the Company in exchange for the nominal value of shares and capital reserve of subsidiaries acquired which is accounted for under "pooling-of-interest".

Other reserves

On 23 June 2023, the Company's subsidiary, Unigloves Singapore Pte. Ltd. ("UGS") acquired additional equity interests of 40% in a subsidiary, namely UGHC Brasil Importadora Ltda ("UGHC Brasil") with a consideration of \$10,540,000 and a negative carrying amount of \$430,000. Subsequent to the acquisition, the effective equity held by the Group increased from 50% to 90%. The effect of the change in the Group's ownership interest on the equity attributable to owners of Company of \$10,970,000 has been recognised as other reserves in financial year ended 2023.

Share-based payment reserve

The share-based payment reserve represents the cumulative value of services received for the issuance of the options and shares under the Unigloves Employee Share Option Scheme.

24. SHARE BASED PAYMENTS

On 16 February 2024, share options were granted to management and confirmed employees under the 2014 Scheme. Options were granted at the exercise price of \$0.1003 per share.

The options are vested equally over three (3) years with first year of vesting being after two (2) years from the Date of Grant, the options are exercisable upon vesting. In all other cases, an option will be forfeited in the event that the option is not exercised within 5 years from the Date of Grant.

The Exercise Price is set at a discount of 20% to the average of the last-dealt prices for the Company's shares on the SGX-ST over the five (5) trading days immediately preceding the Date of Grant.

Notes to the Financial Statements

For the financial year ended 30 June 2026

24. SHARE BASED PAYMENTS (CONTINUED)

Details of the share options outstanding during the financial year are as follows:

	Group and Company			
	2026		2025	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
	('000)	\$	('000)	\$
Outstanding at the beginning and end of the financial year	2,750	0.1003	2,750	0.1003

Share options outstanding at the end of the financial year have the following expiry dates and exercise prices:

Date of grant of options	Expiry date of options	Exercise Price	No. of share options outstanding	
			2026	2025
			('000)	('000)
16 February 2024	15 February 2029	0.1003	2,750	2,750

The fair value of services received in return for share options granted are measured by reference to the fair value of share options granted. The estimate of the fair value of the services received is measured based on a Black Scholes model. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

Fair value of share options granted during the year ended 30 June 2024 and assumptions used

Grantees of options	Employees of the Group
Date of grant of options	16/2/2024
Fair value at measurement date	\$0.102
Share price	\$0.128
Exercise price	\$0.1003
Expected volatility	103.77%
Expected option life	5 years
Risk-free interest rate	3.01%

The expected volatility is based on the historical volatility of comparable companies (calculated based on the weighted average expected life of the share options), adjusted for any expected changes to future volatility due to publicly available information.

There are no market conditions associated with the share option grants. Service conditions and non-market performance conditions are not taken into account in the measurement of the fair value of the services to be received at the grant date.

Notes to the Financial Statements

For the financial year ended 30 June 2026

25. DERIVATIVE FINANCIAL INSTRUMENTS

Non-current

Call Option

	Group	
	2026 \$'000	2025 \$'000
Balance at beginning of financial year	91	–
Additions	–	91
Change in fair value recognised in profit or loss	(26)	–
Balance at end of financial year	65	91

The Group entered into a Call and Put Option Agreement on 5 June 2024 to purchase, at a future date 10 shares out of the joint venture parties' remaining shares, which constitute 1% of the share capital of UG Nitrex S.L., whereas for the put option, the joint venture parties who hold the remaining 50% equity interest in UG Nitrex S.L. has the unilateral right to transfer and sell their remaining shares, all or part, proportionally of at least a 25% equity interest in UG Nitrex S.L. to the Group.

Current

Forward foreign exchange contracts

	Group			
	2026		2025	
	Assets \$'000	Liabilities \$'000	Assets \$'000	Liabilities \$'000
Forward foreign exchange contracts	125	(86)	32	(619)

The Group is a party to foreign currency forward contracts to manage its foreign exchange exposures arising from its foreign currency denominated business transactions. The settlement dates on forward currency contracts range between 30 to 180 days (2025: 30 to 180 days).

The following table details the forward foreign currency contract outstanding as at the end of the reporting period:

	Average contracted rate		Notional value		Fair value	
	2026	2025	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Sell USD, buy MYR	4.03	4.25	7,172	3,306	(77)	32
Sell GBP, buy USD	1.34	1.29	8,661	9,733	105	(598)
Sell Euro, buy USD	1.17	–	4,087	–	20	–
Sell CNY, buy USD	0.15	0.14	2,481	2,661	(9)	(21)

The fair values are measured based on estimated valuation derived from market quotation (Note 35).

Notes to the Financial Statements

For the financial year ended 30 June 2026

26. BANK BORROWINGS

	Group	
	2026 \$'000	2025 \$'000
Secured bank loans ⁽¹⁾	21,454	25,422
Secured export invoice financing ⁽²⁾	5,875	9,279
Secured import and local purchase financing ⁽³⁾	11,912	12,060
Total	39,241	46,761
Less :		
Amount due for settlement within 12 months ⁽⁴⁾	(20,674)	(24,259)
Amount due for settlement after 12 months	18,567	22,502

(1) The weighted average effective interest rates of the Group's secured bank loans range from 3.00% to 6.00% (2025: 2.75% to 7.00%) and are secured as follows:

- (i) legal charges on the leasehold land and buildings;
- (ii) guarantees from the Company;
- (iii) debentures over certain production lines; and
- (iv) keyman insurance.

(2) The export invoice financing is repayable from 1 to 183 days (2025: 1 to 180 days). The interest rate for export invoice refinancing is 1.75% (2025: 1.75%) per annum over the Bank's Cost of Funds as determined by the bank on the day of transaction. The average effective interest rate on the export invoice refinancing is 4.57% (2025: 5.09%). Corporate guarantee is given by the Company.

(3) The import and local purchase financing are repayable from 1-180 days (2025: 1 to 180 days). The interest rate for Foreign Currency Invoice Financing ("FCIF") is 1.50% (2025: 1.50%) per annum over the Bank's Cost of Funds for the respective foreign currencies or such other rate as determined by the Bank from time to time for import bills. The interest rate for Foreign Currency Trade Finance ("FCTF") is 1.50% (2025: 1.50%) per annum above the US Prime Rate on the date of drawdown and the Bank's cost of maintaining statutory and liquidity reserves (if any) or such other rates as the Bank may in its absolute discretion determine. The average effective interest rate on the import and local purchase financing is 4.30% (2025: 4.40%). Corporate guarantee is given by the Company.

(4) The amount, shown under current liabilities, consists of secured banks loans of \$2,887,000 (2025: \$2,921,000), secured export invoice financing of \$5,875,000 (2025: \$9,279,000) and secured import and local invoice financing of \$11,912,000 (2025: \$12,060,000).

The weighted average effective interest rate for bank borrowings is 4.88% (2025: 5.05%).

The carrying amounts of the Group's borrowings approximate their fair values.

The currency profiles of the Group's borrowings as at 30 June are as follows:

	Group	
	2026 \$'000	2025 \$'000
USD	2,788	7,582
CNY	4,989	4,145
EUR	10,031	12,686
MYR	21,433	22,243
SGD	—	105
	39,241	46,761

Notes to the Financial Statements

For the financial year ended 30 June 2026

27. TRADE AND OTHER PAYABLES

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
Trade payables				
- third parties	15,469	18,274	–	–
Other payables				
- third parties	2,796	2,728	779	877
Accrued expenses	7,167	4,780	503	426
Total trade and other payables	25,432	25,782	1,282	1,303

Trade payables are unsecured, interest-free and with the credit term range from 21 to 90 days (2025: 21 to 90 days).

Other payables to third parties mainly consist of payables to utility supplies. Other payables are unsecured, interest-free and repayable on demand.

The currency profiles of the Group's and Company's trade and other payables as at 30 June are as follows:

	Group		Company	
	2026	2025	2026	2025
	\$'000	\$'000	\$'000	\$'000
USD	11,904	10,862	–	–
CNY	334	555	–	–
GBP	2,450	2,740	–	–
EUR	3,232	5,979	–	–
BRL	182	136	–	–
MYR	5,639	3,831	–	–
SGD	1,503	1,501	1,282	1,303
Others	188	178	–	–
	25,432	25,782	1,282	1,303

Notes to the Financial Statements

For the financial year ended 30 June 2026

28. THE GROUP AS A LESSEE

The Group leases office premises and certain employee hostels for one to five years and motor vehicles for one to four years.

Recognition exemptions

The Group has certain office premises and employee hostels with lease terms of 12 months or less. For such leases, the Group has elected not to recognise right-of-use assets and lease liabilities.

28(a) Right-of-use assets

The carrying amount of right-of-use assets by class of underlying asset classified within property, plant and equipment as follows:

	Leasehold land and buildings	Motor vehicles	Equipment	Total
	\$'000	\$'000	\$'000	\$'000
Group				
At 1 July 2024	624	198	41	863
Additions	383	–	–	383
Depreciation	(474)	(118)	(17)	(609)
Write off	(77)	–	–	(77)
Exchange translation differences	11	4	1	16
At 30 June 2025	467	84	25	576
Additions	226	1,374	297	1,897
Depreciation	(337)	(622)	(176)	(1,135)
Write off	(80)	–	–	(80)
Exchange translation differences	17	(12)	(3)	2
At 30 June 2026	293	824	143	1,260

The total cash outflow for leases during the financial year ended 30 June 2026 is \$1,181,000 (2025: \$641,000).

28(b) Lease liabilities

	Group	
	2026	2025
	\$'000	\$'000
Lease liabilities - non-current	378	202
Lease liabilities - current	899	396
	1,277	598

The maturity analysis of lease liabilities is disclosed in Note 33.

Notes to the Financial Statements

For the financial year ended 30 June 2026

28. THE GROUP AS A LESSEE (CONTINUED)

28(c) Amounts recognised in profit or loss

	Group	
	2026 \$'000	2025 \$'000
Interest expense on lease liabilities	43	32

29. COMMITMENTS

	Group	
	2026 \$'000	2025 \$'000
Capital expenditure contracted but not provided for		
- Commitments for the acquisition of property, plant and equipment	816	3,649

30. CONTINGENT LIABILITIES

	Group		Company	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Bank guarantee given to third parties for utility supplies to a subsidiary	2,457	2,291	–	–
Corporate guarantee given to banks for bank facilities granted to subsidiaries	–	–	116,894	117,661
	2,457	2,291	116,894	117,661

The fair value of the corporate guarantee given to banks for bank facilities granted to subsidiaries is not material.

During the financial year, the Company had also given undertakings to certain subsidiaries (Note 10) to provide continued financial support to these subsidiaries to enable them to operate as going concern and to meet their obligations as and when they fall due for at least 12 months from the previous financial year end.

Notes to the Financial Statements

For the financial year ended 30 June 2026

31. SIGNIFICANT RELATED PARTY TRANSACTIONS

A related party is defined as follows:

- (a) A person or a close member of that person's family is related to the Group and Company if that person:
 - (i) Has control or joint control over the Company;
 - (ii) Has significant influence over the Company; or
 - (iii) Is a member of the key management personnel of the Group or Company or of a parent of the Company.
- (b) An entity is related to the Group and the Company if any of the following conditions applies:
 - (i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
 - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
 - (iii) Both entities are joint ventures of the same third party.
 - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity.
 - (v) The entity is a post-employment benefit plan for the benefit of employees of either the Company or itself such a plan, the sponsoring employers are also related to the Company.
 - (vi) The entity is controlled or jointly controlled by a person identified in (a).
 - (vii) A person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).
 - (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.

Associates are related parties and include those that are associates of the holding and/or related companies.

Many of the Group's and Company's transactions and arrangements are with related parties and the effect of these on the basis determined between the parties is reflected in these financial statements. The balances are unsecured, interest-free and repayable on demand unless otherwise stated.

During the financial year, in addition to those disclosed elsewhere in these financial statements, the Group entities entered into the following transactions with related parties:

	2026	2025
	\$'000	\$'000
Sales to joint venture	845	252
Sales to associates	–	1,150

Notes to the Financial Statements

For the financial year ended 30 June 2026

31. SIGNIFICANT RELATED PARTY TRANSACTIONS (CONTINUED)

Compensation of executive directors and key management personnel

	2026 \$'000	2025 \$'000
Short-term benefits	1,112	714
Defined contribution plans	50	50
	1,162	764

32. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the chief operating decision maker.

Management considers the business from both a geographic and business segment perspective. Geographically, management manages and monitors the business in these primary geographic areas: Europe, North America, South America, Africa and Asia which are engaged in the manufacturing, distribution and trading of latex and nitrile examination gloves.

The Group has three reportable segments being latex examination gloves, nitrile examination gloves and other ancillary products.

The Group's reportable segments are strategic business units that are organised based on their function and targeted customer groups. They are managed separately because each business unit requires different skill sets and marketing strategies.

Management monitors the operating results of the segments separately for the purpose of making decisions about resources to be allocated and of assessing performance. Segment performance is evaluated only on revenue and gross profit.

Income taxes are managed on a Group basis.

The accounting policies of the operating segments are the same as those described in the summary of significant accounting policies. There is no asymmetrical allocation to reportable segments.

There is no change from prior periods in the measurement methods used to determine reported segment profit or loss.

The Group accounts for intersegment sales and transfer as if the sales or transfers were to third parties, which approximate market prices. These intersegment transactions are eliminated on combination.

Notes to the Financial Statements

For the financial year ended 30 June 2026

32. SEGMENT INFORMATION (CONTINUED)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items

	2026 \$'000	2025 \$'000
Revenue		
Total revenue for reportable segments	272,291	270,250
Elimination of inter-segment revenue	(121,467)	(126,176)
Total revenue	150,824	144,074
Profit or loss		
Total profit/(loss) for reportable segments	3,974	(3,706)
Share of profits from equity-accounted for joint venture	29	47
Share of loss from equity-accounted for associates	–	(84)
Profit/(Loss) before income tax	4,003	(3,743)
Assets		
Total assets for reportable segments	239,670	235,654
Investments in joint venture	849	826
Total assets	240,519	236,480
Liabilities		
Total liabilities for reportable segments	70,751	76,146
Total liabilities	70,751	76,146

Notes to the Financial Statements

For the financial year ended 30 June 2026

32. SEGMENT INFORMATION (CONTINUED)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items (Continued)

Business Segments

Revenue	2026		2025	
	\$'000	(%)	\$'000	(%)
Latex examination gloves	66,671	44	61,273	43
Nitrile examination gloves	67,440	45	66,323	46
Other ancillary products	16,713	11	16,478	11
Total	150,824	100	144,074	100

Gross profit	2026		2025	
	\$'000	(%)	\$'000	(%)
Latex examination gloves	19,904	46	15,727	45
Nitrile examination gloves	18,732	44	15,691	45
Other ancillary products	4,235	10	3,321	10
Total	42,871	100	34,739	100

Gross profit margin	2026	2025
	(%)	(%)
Latex examination gloves	29.9	25.7
Nitrile examination gloves	27.8	23.7
Other ancillary products	25.3	20.2
Overall	28.4	24.1

Notes to the Financial Statements

For the financial year ended 30 June 2026

32. SEGMENT INFORMATION (CONTINUED)

Reconciliations of reportable segment revenues, profit or loss, assets and liabilities and other material items (Continued)

Geographic information

Revenues from external customers

	2026 \$'000	2025 \$'000
Europe	93,052	88,050
North America	8,774	11,036
South America	10,375	11,958
Africa	10,561	8,219
Asia	23,873	22,378
Malaysia [#]	4,189	2,433
	150,824	144,074

[#] Includes revenue from intermediaries that export our products to overseas market.

The revenue information above is based on the location of the customers.

Location of non-current assets

	Europe \$'000	North America \$'000	South America \$'000	Africa \$'000	Asia \$'000	Total \$'000
2026						
Non-current assets	20,958	402	7,606	2,354	72,111	103,431
2025						
Non-current assets	19,606	394	5,843	1,773	70,656	98,272

Major customers

Revenue from one major customer amounted to approximately \$4,650,000 (2025: \$5,545,000) which is derived from a mixture of segments.

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS

The Group's activities expose it to credit risk, market risks (including foreign currency risk and interest rate risk) and liquidity risk. The Group's overall risk management strategy seeks to minimise adverse effects from the volatility of financial markets on the Group's financial performance.

The Board of Directors is responsible for setting the objectives and underlying principles of financial risk management for the Group. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement, exposure limits and hedging strategies, in accordance with the objectives and underlying principles approved by the Board of Directors.

Financial risk management is carried out by a central treasury department ("**Group Treasury**") in accordance with the policies set by the management. The trading team of Group Treasury identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The reporting team of Group Treasury measures actual exposures against the limits set and prepares daily reports for review by the Heads of Group Treasury and each operating unit. Regular reports are also submitted to the management and the Board of Directors.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Group. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Group's major classes of financial assets are bank balances and trade and other receivables.

Bank balances are mainly deposits with banks with high credit-ratings assigned by international credit rating agencies.

To assess and manage its credit risk, the Group categorises the aforementioned financial assets according to their risk of default. The Group defines default to have taken place when internal or/and external information indicates that the financial asset is unlikely to be received, which could include a breach of debt covenant, default of interest due for more than 30 days, but not later than when the financial asset is more than 90 days past due as per SFRS(I) 9's presumption.

In their assessment, the management considers, amongst other factors, the latest relevant credit ratings from reputable external rating agencies where available and deemed appropriate, historical credit experiences, latest available financial information and latest applicable credit reputation of the debtor.

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

The Group's internal credit risk grading categories are as follows:

Category	Description	Basis of recognising ECL
1	Low credit risk ^{Note 1}	12-months ECL
2	Non-significant increase in credit risk since initial recognition and financial asset is ≤ 30 days past due	12-months ECL
3	Significant increase in credit risk since initial recognition ^{Note 2} or financial asset is > 30 days past due	Lifetime ECL
4	Evidence indicates that financial asset is credit-impaired ^{Note 3}	Difference between financial asset's gross carrying amount and present value of estimated future cash flows discounted at the financial asset's original effective interest rate
5	Evidence indicates that the management has no reasonable expectations of recovering the write off amount ^{Note 4}	Written off

Note 1. Low credit risk

The financial asset is determined to have low credit risk if the financial assets have a low risk of default, the counterparty has a strong capacity to meet its contractual cash flow obligations in the near term and adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the counterparty to fulfil its contractual cash flow obligations. Generally, this is the case when the Group assesses and determines that the debtor has been, is in and is highly likely to be, in the foreseeable future and during the (contractual) term of the financial asset, in a financial position that will allow the debtor to settle the financial asset as and when it falls due.

Note 2. Significant increase in credit risk

In assessing whether the credit risk of the financial asset has increased significantly since initial recognition, the Group compares the risk of default occurring on the financial asset as of reporting date with the risk of default occurring on the financial asset as of date of initial recognition, and considered reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition. In assessing the significance of the change in the risk of default, the Group considers both past due (i.e. whether it is more than 30 days past due) and forward looking quantitative and qualitative information. Forward looking information includes the assessment of the latest performance and financial position of the debtor, adjusted for the Group's future outlook of the industry in which the debtor operates based on independently obtained information (e.g. expert reports, analyst's reports etc.) and the most recent news or market talks about the debtor, as applicable. In its assessment, the Group will generally, for example, assess whether the deterioration of the financial performance and/or financial position, adverse change in the economic environment (country and industry in which the debtor operates), deterioration of credit risk of the debtor, etc. is in line with its expectation as of the date of initial recognition of the financial asset. Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contract payments are >30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Note 3. Credit impaired

In determining whether financial assets are credit-impaired, the Group assesses whether one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit impaired includes the following observable data:

- Significant financial difficulty of the debtor;
- Breach of contract, such as a default or being more than 90 days past due;
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation; or
- The disappearance of an active market for the financial asset because of financial difficulties.

Note 4. Write off

Generally, the Group writes off, partially or fully, the financial asset when it assesses that there is no realistic prospect of recovery of the amount as evidenced by, for example, the debtor's lack of assets or income sources that could generate sufficient cash flows to repay the amounts subjected to the write-off.

The Group performs ongoing credit evaluation of its counterparties' financial condition and generally does not require collateral.

The Group and Company do not have any significant credit exposure to any single counterparty or any groups of counterparties having similar characteristics.

With reference to Note 30, the Company provides financial guarantees to certain banks in respect of bank facilities granted to certain subsidiaries. The date when the Group becomes a committed party to the guarantee is considered to be the date of initial recognition for the purpose of assessing the financial asset for impairment. In determining whether there has been a significant risk of a default occurring on the drawn-down facilities, the Group considered the change in the risk that the specified debtor (i.e. the applicable subsidiaries) will default on the contract. The Company assessed that the credit risk relating to the financial guarantees is insignificant to the Company.

As at the end of the financial year, the total amount of loans outstanding covered by the guarantees is \$5,875,000 (2025: \$9,383,000). Such guarantees are in the form of a financial guarantee as they require the Company to reimburse the respective banks if the respective subsidiaries to which the guarantees were extended fail to make principal or interest payments when due in accordance with the terms of borrowings. There has been no default or non-repayment since the utilisation of the banking facilities.

As at the end of the financial year, there was no significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statements of financial position.

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Trade receivables (Note 19)

The Group uses the practical expedient under SFRS(I) 9 in the form of allowance matrix to measure the ECL for trade receivables, where the loss allowance is equal to lifetime ECL.

The ECL for trade receivables are estimated using an allowance matrix by reference to the historical credit loss experience of the customers for the last 3 years prior to the respective reporting dates for various customer groups that are assessed by geographical locations, product types and internal ratings, adjusted for forward looking factors specific to the debtors and the economic environment which could affect the ability of the debtors to settle the financial assets. In considering the impact of the economic environment on the ECL rates, the Group assesses, for example, the gross domestic production growth rates of the countries (eg. Singapore, China, Malaysia, Brazil) and the growth rates of the major industries which its customers operate in.

Trade receivables are written off when there is evidence to indicate that the customer is in severe financial difficulty such as being under liquidation or bankruptcy and there is no reasonable expectations for recovering the outstanding balances.

The loss allowance for trade receivables is determined as follows:

	Current	Past due more than 1 to 90 days	Past due more than 91 to 180 days	Past due more than 180 days	Total
30 June 2026					
Expected credit loss rates	–	18.3%	100.0%	100.0%	
Trade receivables (gross) (\$'000)	29,489	6,411	520	347	36,767
Loss allowance (\$'000)	–	1,172	520	347	2,039
30 June 2025					
Expected credit loss rates	–	–	–	47.8%	–
Trade receivables (gross) (\$'000)	25,318	5,651	2,234	1,190	34,393
Loss allowance (\$'000)	–	–	–	569	569

Amounts due from subsidiaries (Note 18) and other receivables (Note 19)

As of 30 June 2026, the Company recorded amounts due from subsidiaries of \$67,649,000 (2025: \$70,403,000). The Company assessed the impairment loss allowance of these amounts on a 12-month ECL basis consequent to their assessment and conclusion that these receivables are of low credit risk. In its assessment of the credit risk of the subsidiaries, the Company considered amongst other factors, the financial position of the subsidiaries as of 30 June 2026, the past financial performance and cashflow trends, adjusted for the outlook of the industry and economy in which the subsidiaries operate in. Using 12-month ECL, the Company determined that the ECL is insignificant.

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Amounts due from subsidiaries (Note 18) and other receivables (Note 19) (Continued)

As of 30 June 2026, the Group and the Company recorded other receivables of \$8,718,000 and \$264,000 (2025: \$8,792,000 and \$219,000) respectively. The Group assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry and country which the counterparties operate in, and concluded that there has been no significant increase in the credit risk since the initial recognition of the financial asset. Accordingly, the Group measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

The Group's and the Company's exposure to credit risk in respect of the trade and other receivables is as follows:

Group Internal credit risk grading	Trade receivables			Other receivables		
	Note (i)	Category 4	Category 5	Total	Category 2	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Loss allowance						
Balance at 1 July 2024	59	518	–	577	–	–
Reclassification between categories	–	(29)	29	–	–	–
Credit loss recognised	–	35	–	35	–	–
Write-off of receivables	–	–	(29)	(29)	–	–
Exchange translation differences	4	(18)	–	(14)	–	–
Balance at 30 June 2025	63	506	–	569	–	–
Credit loss recognised	–	1,447	–	1,447	–	–
Exchange translation differences	–	23	–	23	–	–
Balance at 30 June 2026	63	1,976	–	2,039	–	–
Gross carrying amount						
At 30 June 2025	33,887	506	–	34,393	8,792	8,792
At 30 June 2026	34,791	1,976	–	36,767	8,718	8,718
Net carrying amount						
At 30 June 2025	33,824	–	–	33,824	8,792	8,792
At 30 June 2026	34,728	–	–	34,728	8,718	8,718

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Credit risk (Continued)

Amounts due from subsidiaries (Note 18) and other receivables (Note 19) (Continued)

Company Internal credit risk grading	Amounts due from subsidiaries		Other receivables	
	Category 1	Total	Category 2	Total
	\$'000	\$'000	\$'000	\$'000
Gross carrying amount/Net carrying amount				
At 30 June 2025	70,403	70,403	219	219
At 30 June 2026	67,649	67,649	264	264

Note (i) For trade receivables, the Group uses the practical expedient under SFRS(I) 9 in the form of an allowance matrix to measure the ECL, where loss allowance is equal to lifetime ECL.

The individual impairment losses of the Group related to several customers that the Group was not expecting to be able to collect the outstanding balances, mainly due to economic circumstances.

Market risks

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates. The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign currency risks, including foreign currency forward contracts to hedge against foreign currency risk.

Foreign currency risk

The Group is exposed to foreign currency risk on certain income, expenses, monetary assets and liabilities that are denominated in currencies other than the functional currencies of the respective entities in the Group. As at the reporting date, the Group and Company do not have significant foreign currency risk exposure except for the financial assets and liabilities denominated in USD and SGD. The Group either uses financial instruments such as foreign currency forward contracts to hedge certain financial risk exposures although hedge accounting was not applied or the natural hedges arising from a matching sale, purchase or a matching of assets and liabilities of the same currency and amount.

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Market risks (Continued)

Foreign currency risk (Continued)

The carrying amounts of the Group's and Company's foreign currency denominated monetary assets and monetary liabilities at the end of the financial year are as follows:

	Group		Company	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
Monetary assets				
USD	9,280	9,149	8,571	8,116
CNY	4,851	5,103	3,995	4,264
EUR	2,103	384	—	—
GBP	223	14	—	—
SGD	57	130	—	—
Monetary liabilities				
USD	(5,948)	(4,470)	—	—
CNY	(4,989)	(4,144)	—	—
GBP	(26)	(26)	—	—
SGD	(212)	(291)	—	—

Foreign currency sensitivity analysis

The Group is mainly exposed to USD, CNY, EUR, GBP and SGD.

The following table details the Group's sensitivity to a 5% (2025: 5%) increase or decrease in the relevant foreign currencies against the respective functional currencies of the Group entities. The sensitivity analysis assumes an instantaneous 5% (2025: 5%) change in the foreign currency exchange rates from the end of the financial year, with all variables held constant.

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Market risks (Continued)

Foreign currency risk (Continued)

Foreign currency sensitivity analysis (Continued)

	Increase/(Decrease) Profit/(Loss) before income tax			
	Group		Company	
	2026 \$'000	2025 \$'000	2026 \$'000	2025 \$'000
USD				
Strengthens	167	234	429	406
Weakens	(167)	(234)	(429)	(406)
CNY				
Strengthens	(7)	48	200	213
Weakens	7	(48)	(200)	(213)
EUR				
Strengthens	105	19	–	–
Weakens	(105)	(19)	–	–
GBP				
Strengthens	10	(1)	–	–
Weakens	(10)	1	–	–
SGD				
Strengthens	(8)	(8)	–	–
Weakens	8	8	–	–

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk relates to interest bearing liabilities. The Group's policy is to maintain an efficient and optimal interest cost structure using a combination of fixed and variable rate debts, and long and short-term borrowings. The Group's interest rate risk arises primarily from the floating rate borrowings with financial institutions.

The Group's exposures to interest rate risk are disclosed in Note 26 to the financial statements.

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Market risks (Continued)

Interest rate risk (Continued)

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rate risk of bank borrowings at the end of the financial year. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the financial year was outstanding for the whole year. The sensitivity analysis assumes an instantaneous 1% (2025: 1%) change in the interest rates from the end of the financial year, with all variables held constant.

	Increase/(Decrease) Profit/(Loss) before income tax	
	2026	2025
	\$'000	\$'000
Bank borrowings		
Increase	(392)	(468)
Decrease	392	468

In view of the reform of major interest rate benchmarks that is being undertaken globally, the Group monitors and manages its potential transition to alternative rates, as applicable. The Group evaluates the contracts that could be affected, and takes a proactive approach in approaching the relevant counterparties to discuss and assess the potential impact on the Group.

As of 30 June 2026, in relation to the aforementioned, the Group is mainly exposed to non-derivative financial liabilities in the form of secured export invoice financing indexed to Bank's Cost of Funds. The Group is still in the process of communicating with the counterparties in order to obtain the advice in relation to the changes for the interest rate.

The following table contains details of all the financial instruments that the Group holds as at 30 June 2026 that have cash flows that will be affected by the interest rate benchmark reform as they have not yet transitioned to new benchmark rates.

Financial instruments prior to transition	Financial instrument maturity year	Carrying amount/ Notional amount \$'000	Fair value \$'000
Group			
Non derivative financial instrument			
Secured export invoice financing (Note 26)	November 2026	5,875	Not applicable

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Liquidity risk

Liquidity risk refers to the risk in which the Group encounters difficulties in meeting its short-term obligations. Liquidity risks are managed by matching the payment and receipt cycle.

The following table details the Group's remaining contractual maturity for its financial instruments. The table has been drawn up based on contractual undiscounted cash flows of financial instruments based on the earlier of the contractual date or when the Group is expected to receive or (pay). The table includes both interest and principal cash flows.

	Group			
	Effective interest rate %	Less than 1 year \$'000	2 to 5 years \$'000	Total \$'000
Financial assets and derivative financial instruments				
Cash and cash equivalents	2.65	27,410	–	27,410
Trade and other receivables (excluding prepayments)	–	43,446	–	43,446
Derivative financial instruments	–	125	65	190
Financial asset at FVTPL	–	–	10,574	10,574
As at 30 June 2026		70,981	10,639	81,620
Cash and cash equivalents	3.47	23,291	–	23,291
Trade and other receivables (excluding prepayments)	–	42,616	–	42,616
Derivative financial instruments	–	32	91	123
Financial asset at FVTPL	–	–	10,056	10,056
As at 30 June 2025		65,939	10,147	76,086
Financial liabilities and derivative financial instruments				
Trade and other payables	–	25,432	–	25,432
Bank borrowings	4.88	23,065	18,797	41,862
Derivative financial instruments	–	86	–	86
Lease liabilities	5.36	953	414	1,367
As at 30 June 2026		49,536	19,211	68,747
Trade and other payables	–	25,782	–	25,782
Bank borrowings	5.05	25,742	25,835	51,577
Derivative financial instruments	–	619	–	619
Lease liabilities	5.36	428	213	641
As at 30 June 2025		52,571	26,048	78,619
Total net assets/(liabilities)				
As at 30 June 2026		21,445	(8,572)	12,873
As at 30 June 2025		13,368	(15,901)	(2,533)

Notes to the Financial Statements

For the financial year ended 30 June 2026

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISKS (CONTINUED)

Liquidity risk (Continued)

		Company		
	Effective interest rate %	Less than 1 year \$'000	2 to 5 years \$'000	Total \$'000
Financial assets and derivative financial instruments				
Cash and cash equivalents	2.78	12,613	–	12,613
Amounts due from subsidiaries	–	67,649	–	67,649
Trade and other receivables (excluding prepayments)	–	264	–	264
As at 30 June 2026		80,526	–	80,526
Cash and cash equivalents	3.4	12,489	–	12,489
Amounts due from subsidiaries	–	70,403	–	70,403
Trade and other receivables (excluding prepayments)	–	219	–	219
As at 30 June 2025		83,111	–	83,111
Financial liabilities and derivative financial instruments				
Trade and other payables	–	1,282	–	1,282
Amounts due to subsidiaries	–	28,845	–	28,845
Maximum amounts of financial guarantees	–	5,875	–	5,875
As at 30 June 2026		36,002	–	36,002
Trade and other payables	–	1,303	–	1,303
Amounts due to subsidiaries	–	32,242	–	32,242
Maximum amounts of financial guarantees	–	9,383	–	9,383
As at 30 June 2025		42,928	–	42,928
Total net assets				
As at 30 June 2026		44,524	–	44,524
As at 30 June 2025		40,183	–	40,183

The Group's operations are financed mainly through equity, retained earnings and bank borrowings. Adequate lines of credits are maintained to ensure the necessary liquidity is available when required. The repayment terms of the bank borrowings are disclosed in Note 26 to these financial statements.

Notes to the Financial Statements

For the financial year ended 30 June 2026

34. CATEGORIES OF FINANCIAL INSTRUMENTS

The carrying amount of the different categories of financial instruments is as disclosed on the face of the statements of financial position and as follows:

	Group	
	2026 \$'000	2025 \$'000
Financial assets		
Financial asset at FVTPL	10,574	10,056
Derivative financial assets	190	123
Financial assets measured at fair value through profit or loss	10,764	10,179
Trade and other receivables (excluding prepayments)	43,446	42,616
Cash and cash equivalents	27,410	23,291
Financial assets measured at amortised cost	70,856	65,907
Financial liabilities		
Derivative financial liabilities	86	619
Financial liabilities measured at fair value through profit or loss	86	619
Trade and other payables	25,432	25,782
Bank borrowings	39,241	46,761
Lease liabilities	1,277	598
Financial liabilities measured at amortised cost	65,950	73,141
	Company	
	2026 \$'000	2025 \$'000
Financial assets		
Amounts due from subsidiaries	67,649	70,403
Trade and other receivables (excluding prepayments)	264	219
Cash and cash equivalents	12,613	12,489
Financial assets measured at amortised cost	80,526	83,111
Financial liabilities		
Amounts due to subsidiaries	28,845	32,242
Trade and other payables	1,282	1,303
Financial liabilities measured at amortised cost	30,127	33,545

Notes to the Financial Statements

For the financial year ended 30 June 2026

35. FAIR VALUE OF ASSETS AND LIABILITIES

The carrying amounts of cash and bank balances, trade and other receivables and payables, approximate their respective fair values due to the relative short-term maturity of these financial instruments. The fair values of other classes of financial assets and liabilities are disclosed in the respective notes to the financial statements.

The fair values of applicable financial assets and financial liabilities are determined as follows:

- (a) Level 1 - the fair values of assets and liabilities with standard terms and conditions and which trade in active markets that the Group can access at the measurement date are determined with reference to quoted market prices (unadjusted).
- (b) Level 2 - in the absence of quoted market prices, the fair values of the assets and liabilities are determined using the other observable, either directly or indirectly, inputs such as quoted prices for similar assets/liabilities in active markets or included within Level 1, quoted prices for identical or similar assets/liabilities in non-active markets.
- (c) Level 3 - in the absence of quoted market prices included within Level 1 and observable inputs included within Level 2, the fair values of the remaining assets and liabilities are determined in accordance with generally accepted pricing models.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The table below analyses the Group's assets and liabilities that are measured at fair value on a recurring basis in the statement of financial position after initial recognition.

	Group		
	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000
2026			
<u>Recurring fair value measurements</u>			
Derivative financial liabilities	–	(86)	–
Financial asset held at FVTPL	–	–	10,574
Derivative financial assets	–	125	65
2025			
<u>Recurring fair value measurements</u>			
Derivative financial liabilities	–	(619)	–
Financial asset held at FVTPL	–	–	10,056
Derivative financial assets	–	32	91

Notes to the Financial Statements

For the financial year ended 30 June 2026

35. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Level 2

Derivative financial instruments - Forward foreign exchange contracts (Note 25)

Valuation techniques with market observable inputs are used for the determination of the fair values of foreign currency forward contracts. The fair values of forward currency contracts are determined based on dealer quotes at the end of the reporting period.

Level 3

Derivative financial instruments - Call option (Note 25)

The fair value of the derivative financial asset at fair value through profit or loss of \$65,000 (2025: \$91,000) has been estimated using the Black-Scholes option pricing model. The fair value takes into account the underlying asset value, strike price, option life, risk-free rate, volatility, and an illiquidity adjustment.

Financial asset held at FVTPL

The fair value of the financial asset held at FVTPL that is not traded in an active market is determined using the market approach during the financial year. In the prior financial year, the fair value was determined using the income approach based on discounted cash flow analysis. The change in valuation technique reflects the change in Management's commercial strategy for the project and the availability of current independent market-based valuation information, which Management considers to be more representative of fair value in the current financial year.

Summary of the quantitative information about the significant unobservable inputs used in the level 3 fair value measurement.

Descriptions	Fair value at 30 June 2026 \$'000	Valuation technique	Significant unobservable inputs	Range	Relationship of unobservable inputs to fair value
Financial asset held at FVTPL	10,574 (2025: 10,056)	Market approach (2025: Discounted Cash Flow Analysis)	Discount rate applied to contractual rental obligations (2025: Discount rate)	3.26% (2025: 12.10%)	An increase will result in an increase in fair value (2025: An increase will result in a decrease in fair value)
Derivative financial instruments – Call option	65 (2025: 91)	Black-Scholes option pricing model (2025: Black-Scholes option pricing model)	Expected volatility (2025: Expected volatility)	51% (2025: 51%)	An increase will result in an increase in fair value (2025: An increase will result in an increase in fair value)

Notes to the Financial Statements

For the financial year ended 30 June 2026

35. FAIR VALUE OF ASSETS AND LIABILITIES (CONTINUED)

Valuation policies and procedures

The Group's Finance Director oversees the Group's financial reporting valuation process and is responsible for setting and documenting the Group's valuation policies and procedures and reports to the Group's Audit Committee.

It is the Group's policy that where assessed necessary by the local management, the Group would engage experts to perform significant financial reporting valuations. The Finance Director is responsible for selecting and engaging such external experts that possess the relevant credentials and knowledge on the subject of valuation, valuation methodologies, and SFRS(I) 13 *Fair Value Measurement* guidance.

He also reviews at least on an annual basis, the appropriateness of the valuation methodologies and assumptions adopted and evaluates the appropriateness and reliability of the inputs (including those developed internally by the Group) used in the valuations.

The analysis and results of the external valuations are then reported to the Audit Committee for the latter's comments before presenting the results to the Board of Directors for approval.

During the financial year, there was a change in the valuation technique applied to the financial asset held at FVTPL as disclosed above.

36. CAPITAL MANAGEMENT POLICIES AND OBJECTIVES

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern and to maintain an optimal capital structure so as to maximise shareholders' value. In order to maintain or achieve an optimal capital structure, the Group may adjust the amount of dividend payment, return capital to shareholders, issue new shares, buy back issued shares, obtain new borrowings or sell assets to reduce borrowings. No changes were made in the objectives, policies or processes during the financial year ended 30 June 2026.

Management monitors capital based on a gearing ratio. The gearing ratio is calculated as net debt divided by total capital. Net debt is calculated as borrowings plus trade and other payables less cash and bank balances. Total capital is calculated as equity plus net debts.

	2026 \$'000	2025 \$'000
Net debt	37,263	49,252
Total equity attributable to owners of the Company	171,758	162,752
Total capital	209,021	212,004
Gearing ratio	18%	23%

The Group is in compliance with all externally imposed capital requirements for the financial years ended 30 June 2026 and 2025.

Shareholders' Statistics

As at 18 September 2026

ISSUED AND FULLY PAID-UP CAPITAL	:	S\$61,616,154.57*
NUMBER OF SHARES ISSUED	:	623,825,811
CLASS OF SHARES	:	ORDINARY SHARES
VOTING RIGHTS	:	ONE (1) VOTE PER SHARE
NUMBER OF TREASURY SHARES AND SUBSIDIARY HOLDINGS	:	NIL

* This is based on records kept with the Accounting and Corporate Regulatory Authority and differs from the accounting records of S\$59,651,669 due to certain share issue expense.

DISTRIBUTION OF SHAREHOLDING

SIZE OF SHAREHOLDINGS	NO. OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
1 - 99	165	5.09	5,858	0.00
100 - 1,000	190	5.87	101,444	0.02
1,001 - 10,000	1,198	36.99	7,177,846	1.15
10,001 - 1,000,000	1,661	51.28	98,835,782	15.84
1,000,001 & above	25	0.77	517,704,881	82.99
TOTAL	3,239	100.00	623,825,811	100.00

TWENTY LARGEST SHAREHOLDERS

NAME OF SHAREHOLDERS	NO. OF SHARES	% OF SHARES
CGS INTERNATIONAL SECURITIES SINGAPORE PTE LTD	176,133,691	28.23
ZEN UG PTE. LTD.	156,537,713	25.09
RAYDION DIRECT GLOBAL INC	76,873,127	12.32
PHILLIP SECURITIES PTE LTD	18,759,486	3.01
CITIBANK NOMINEES SINGAPORE PTE LTD	12,572,253	2.01
ANG CHIEN KIAT	11,146,442	1.79
OCBC SECURITIES PRIVATE LTD	10,301,418	1.65
HENG SIEW ENG	7,759,766	1.24
DBS NOMINEES PTE LTD	6,337,247	1.02
MAYBANK SECURITIES PTE. LTD.	5,723,911	0.92
IFAST FINANCIAL PTE LTD	5,723,581	0.92
MOOMOO FINANCIAL SINGAPORE PTE. LTD.	3,969,717	0.64
TIGER BROKERS (SINGAPORE) PTE. LTD.	3,447,440	0.55
LEE JUN YIH	2,845,063	0.46
JACK INVESTMENT PTE LTD	2,784,800	0.45
RAFFLES NOMINEES (PTE) LIMITED	2,725,809	0.44
LEE JUN LINN	2,217,089	0.35
WANG NAN ENG MARGARET	2,078,999	0.33
ZAINAL ABIDIN BIN HASSAN OR HANEL MATHIAS	1,841,700	0.29
LIM AND TAN SECURITIES PTE LTD	1,539,509	0.25
TOTAL	511,318,761	81.96

Shareholders' Statistics

As at 18 September 2026

SUBSTANTIAL SHAREHOLDERS AS AT 18 SEPTEMBER 2026

(As recorded in the Register of Substantial Shareholders)

NAME	NUMBER OF SHARES HELD		TOTAL NO. OF SHARES HELD	PERCENTAGE OF SHARES
	DIRECT INTEREST	DEEMED INTEREST		
Zen UG Pte. Ltd. ⁽¹⁾⁽²⁾	156,537,713	141,318,282	297,855,995	47.75%
Raydion Direct Global Inc ⁽¹⁾	76,873,127	–	76,873,127	12.32%
Sim Ai Cheng ⁽³⁾	–	374,729,122	374,729,122	60.07%
Lee Jun Yih	2,845,063	374,729,122	377,574,185	60.53%
Lee Jun Linn	2,217,089	374,729,122	376,946,211	60.42%

Notes:

- (1) Sim Ai Cheng, Lee Jun Yih and Lee Jun Linn are deemed to be interested in all the shares held by Zen UG Pte. Ltd. and Raydion Direct Global Inc by virtue of Section 7 of the Companies Act.
- (2) Zen UG Pte. Ltd. is deemed to be interested in 141,318,282 shares of the Company registered under CGS International Securities (Singapore) Pte. Ltd.
- (3) Sim Ai Cheng is the mother of Lee Jun Yih and Lee Jun Linn.
- (4) Any minor discrepancies in the percentage of shares are due to rounding.

PERCENTAGE OF SHAREHOLDING IN PUBLIC'S HANDS

Based on the information provided and to the best knowledge of the Directors, approximately 39.12% of the issued ordinary shares of the Company is held in the hands of the public as at 18 September 2026 and therefore Rule 723 of the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited is complied with.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the Annual General Meeting of UG Healthcare Corporation Limited (the “**Company**”) will be held at YMCA @ One Orchard Road, Tan Chin Tuan Room Level 4, 1 Orchard Road, Singapore 238824 on Wednesday, 28 October 2026 at 10.00 a.m. (the “**AGM**”) to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the Directors’ Statement and the Audited Financial Statements of the Company for the financial year ended 30 June 2026 together with the Auditors’ Report thereon.
[Resolution 1]
2. To re-elect Mr. Lee Jun Linn who is retiring pursuant to Regulation 104 of the Company’s Constitution.
[Explanatory Note (1)] **[Resolution 2]**
3. To approve the payment of Directors’ fees of S\$120,000.00 for the financial year ending 30 June 2027 (FY2026: S\$120,000.00).
[Resolution 3]
4. To re-appoint Messrs Forvis Mazars LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.
[Resolution 4]
5. To transact any other ordinary business which may be transacted at an AGM.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following as Ordinary Resolutions, with or without modifications:

6. Authority to allot and issue shares in the capital of the Company

That pursuant to Section 161 of the Companies Act 1967 (“**Companies Act**”) and Rule 806 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) (“**Catalist Rules**”) and the Constitution of the Company, authority be and is hereby given to the Directors to:

- (a) (i) allot and issue shares in the capital of the Company (“**Shares**”), whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements, or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force, provided that:

Notice of Annual General Meeting

- (i) the aggregate number of Shares and convertible securities to be issued (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution), does not exceed one hundred percent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below), of which the aggregate number of Shares and convertible securities to be issued (including Shares to be issued pursuant to the Instruments) other than on a pro rata basis to existing shareholders of the Company shall not exceed fifty percent (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with sub-paragraph (ii) below);
- (ii) (subject to such manner of calculation and adjustments as may be prescribed by the SGX-ST for the purpose of determining the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) that may be issued under sub-paragraph (i) above, the percentage of Shares (excluding treasury shares and subsidiary holdings) that may be issued shall be based on the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) at the date of the passing of this Resolution, after adjusting for (a) new Shares arising from the conversion or exercise of convertible securities or (b) new Shares arising from the exercising of share options or vesting of share awards, provided that the options or awards were granted in compliance with Part VIII of Chapter 8 of the Catalist Rules; and (c) any subsequent bonus, consolidation or subdivision of Shares. Adjustments in accordance with (a) or (b) are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution;
- (iii) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Catalist Rules for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, and the Constitution of the Company for the time being; and
- (iv) Unless previously revoked or varied by the Company in general meeting, such authority conferred by this Resolution shall continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is the earlier.

[Explanatory Note (2)]

[Resolution 5]

7. Authority to grant options and issue shares under the 2024 Unigloves Employee Share Option Scheme

That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors of the Company to:

- (a) offer and grant options ("**Options**") in accordance with the rules of the 2024 Unigloves Employee Share Option Scheme (the "**2024 Unigloves ESOS**"); and
- (b) allot and issue, transfer and/or deliver from time to time such number of fully-paid Shares as may be required to be issued or delivered pursuant to the exercise of Options granted under the 2024 Unigloves ESOS;

provided that the aggregate number of Shares which may be issued and issuable or transferred and transferrable pursuant to the exercise of Options to be granted pursuant to the 2024 Unigloves ESOS, when aggregated with (i) the total number of Shares issued and issuable or transferred and to be transferred in respect of Options already granted under the 2024 Unigloves ESOS; and (ii) the total number of Shares issued and issuable or transferred and to be transferred in respect of all options or awards granted under any other share option schemes or share schemes of the Company then in force; shall not exceed fifteen percent (15%) of the total number of issued Shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

[Explanatory Note (3)]

[Resolution 6]

Notice of Annual General Meeting

8. Authority to grant awards and issue shares under the 2024 Unigloves Performance Share Plan

That pursuant to Section 161 of the Companies Act, authority be and is hereby given to the Directors of the Company to:

- (a) offer and grant awards ("**Awards**") in accordance with the rules of the 2024 Unigloves Performance Share Plan (the "**2024 Unigloves PSP**"); and
- (b) allot and issue, transfer and/or deliver from time to time such number of fully-paid shares as may be required to be issued or delivered pursuant to the vesting of Awards under the 2024 Unigloves PSP;

provided that the aggregate number of Shares which may be issued and issuable or transferred and transferrable pursuant to Awards granted under the 2024 Unigloves PSP, when aggregated with (i) the total number of Shares issued and issuable or transferred and transferrable pursuant to Awards already granted under the 2024 Unigloves PSP; and (ii) the total number of Shares issued and issuable or transferred and transferrable in respect of options or awards granted under any other share option schemes or share schemes of the Company then in force; shall not exceed fifteen percent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time.

[Explanatory Note (4)]

[Resolution 7]

9. The Proposed Renewal of the Share Buy-back Mandate

That:

- (a) for the purposes of the Companies Act and the Catalist Rules of the SGX-ST, the Directors of the Company be and are hereby authorised to exercise all the powers of the Company to purchase or otherwise acquire the Shares not exceeding in aggregate the Prescribed Limit (as hereafter defined) during the Relevant Period (as hereafter defined), at such price(s) as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereafter defined), whether by way of:
 - (i) on-market acquisitions ("**Market Purchases**"), transacted on the SGX-ST or through any other securities exchange on which the Shares may, for the time being, be listed; and/or
 - (ii) off-market acquisitions ("**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act and the Catalist Rules,

and otherwise in accordance with all other provisions of the Companies Act and the Catalist Rules of the SGX-ST as may for the time being be applicable (the "**Share Buy-back Mandate**");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Buy-back Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this Resolution and expiring on the earlier of:
 - (i) the date on which the next annual general meeting is held or required by law to be held;
 - (ii) the date on which Share Buy-backs have been carried out to the full extent mandated under the Share Buy-back Mandate; or
 - (iii) the date on which the authority contained in the Share Buy-back Mandate is varied or revoked by the Shareholders in a general meeting;

Collectively known as the "**Relevant Period**"

Notice of Annual General Meeting

(c) in this resolution:

“Prescribed Limit” means 10.0% of the total number of issued and paid-up Shares of the Company (excluding treasury shares and subsidiary holdings) as at the date of passing of this resolution, unless the Company has effected a reduction of its share capital in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of issued Shares of the Company shall be taken to be the total number of issued Shares of the Company as altered, excluding any treasury shares, that may be held by the Company from time to time;

“Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (including brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- (i) in the case of a Market Purchase, hundred and five percent (105.0%) of the Average Closing Price (as defined herein); and
- (ii) in the case of an Off-Market Purchase, pursuant to an equal access scheme, hundred and twenty percent (120.0%) of the Average Closing Price, where:

“Average Closing Price” means the average of the closing market prices of the Shares over the last five (5) Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such securities exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the Offer Date pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the Catalist Rules, for any corporate action that occurs during the relevant 5-day period and the day the Share purchases are made; and

“Offer Date” means the date on which the Company makes an offer for a Share Buy-back, stating therein the purchase price for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

- (d) the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they may consider expedient or necessary to give effect to the transactions contemplated by this resolution.

[Explanatory Note (5)]

[Resolution 8]

By Order of the Board

Maureen Low
Company Secretary

13 October 2026
Singapore

Notice of Annual General Meeting

Explanatory Notes:

- (1) **Resolution 2** – Mr. Lee Jun Linn shall, upon re-election as a Director of the Company, remain as Joint Chief Executive Officer, Executive Director and Chief Operating Officer. Further information on Mr. Lee Jun Linn can be found in the sections entitled “Board of Directors” and “Corporate Governance Report” in the Annual Report 2026.
- (2) **Resolution 5** – This Resolution, if passed, will empower the Directors, effective until (i) the conclusion of the next AGM, or (ii) the date by which the next AGM of the Company is required by law to be held or (iii) the date on which such authority is varied or revoked by the Company in a general meeting, whichever is the earliest, to issue Shares, make or grant instruments convertible into Shares and to issue Shares pursuant to such instruments, up to a number not exceeding, in total, one hundred percent (100%) of issued share capital of the Company (excluding treasury shares and subsidiary holdings), of which up to fifty percent (50%) may be issued other than on a pro-rata basis to existing shareholders of the Company.
- (3) **Resolution 6** – These Resolutions, if passed, will empower the Directors of the Company to offer grant Options under 2024 Unigloves ESOS and to allot and issue shares pursuant to the exercise of such Options under the 2024 Unigloves ESOS provided that the aggregate number of Shares available pursuant to the exercise of Options under the 2024 Unigloves ESOS and any other share-based schemes of the Company shall not exceed 15% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.
- (4) **Resolution 7** – This Resolution, if passed, will empower the Directors of the Company to grant Awards under the 2024 Unigloves PSP and to allot and issue Shares pursuant to the vesting of Awards under the 2024 Unigloves PSP provided that the aggregate number of Shares available pursuant to the vesting of Awards under the 2024 Unigloves PSP and any other share-based schemes of the Company shall not exceed 15% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.
- (5) **Resolution 8** – This Resolution, if passed, will empower the Directors of the Company from the date of the above AGM to purchase or acquire Shares by way of Market Purchases or Off-Market Purchases, provided that the aggregate number of Shares to be purchased or acquired under the Share Buy-back Mandate does not exceed the Prescribed Limit, and at such price(s) as may be determined by the Directors of the Company from time to time up to but not exceeding the Maximum Price. The information relating to this Resolution is set out in the Appendix enclosed together with the Annual Report.

Notes:

1. The members of the Company are invited to **attend physically** at the AGM. **There will be no option for shareholders to participate virtually.** The Notice of AGM, Proxy Form, Request Form (to request for printed copy of the Annual Report and Appendix), Annual Report and Appendix will be sent to members by electronic means via publication on the Company's website at <https://www.ughealthcarecorporation.com/investor-relation> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>. Printed copies of the Notice, Proxy Form and Request Form will be sent by post to members. Members who wish to receive a printed copy of the Annual Report and Appendix are required to complete the Request Form and return it to the Company by **21 October 2026**:
 - (a) if submitted by post, be lodged at the registered office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com.
2. **Arrangements for participation in the AGM physically**

Members (including Central Provident Fund (“CPF”) Investment Scheme members (“CPFIS Investors”) and/or Supplementary Retirement Scheme investors (“SRS Investors”)) may participate in the AGM by:

 - (a) attending the AGM in person
 - (b) raising questions at the AGM or submitting questions in advance of the AGM; and/ or
 - (c) voting at the AGM
 - (i) themselves personally; or
 - (ii) through their duly appointed proxy(ies).

CPFIS Investors and SRS investors who wish to appoint the Chairman of the AGM (and not third party prox(ies)) as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **10.00 a.m. on 16 October 2026**, being seven (7) working days prior to the date of the AGM.

Please bring along your NRIC/passport so as to enable the Company to verify your identity. Members are requested to arrive early to facilitate the registration process.

Notice of Annual General Meeting

3. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A member of the Company which is a corporation is entitled to appoint its authorised representative or proxy to vote on its behalf. A proxy need not be a member of the Company.

Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

4. A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

"**Relevant intermediary**" has the meaning ascribed to it in Section 181(6) of the Companies Act 1967:

- (a) a banking corporation licensed under the Banking Act 1970, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital market services licence to provide custodial services for securities under the Securities and Futures Act 2001 and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.
5. A member can appoint the Chairman of the Meeting as his/her/its proxy **but** this is **not mandatory**.

If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

6. The Proxy Form must be submitted to in the following manner:

- (a) if submitted by post, be lodged at the registered office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896; or
- (b) if submitted electronically, be submitted via email to the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com.

in either case, by the Registration Deadline, **25 October 2026, 10.00 a.m.**, being no later than seventy-two (72) hours before the time fixed for the AGM. A member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before sending it by email to the email address provided above.

The instrument appointing a proxy(ies) must be signed by the appointer or his/her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its common seal or signed on its behalf by an attorney or a duly authorised officer of the corporation. Where the instrument appointing a proxy(ies) is signed on behalf of the appointer by an attorney, the letter or power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

The Company shall be entitled to reject the instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument of proxy (such as in the case where the appointer submits more than one (1) instrument of proxy).

In the case of a member whose shares are entered against his/her name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act 2001 of Singapore Statutes), the Company may reject any instrument of proxy lodged if such member, being the appointer, is not shown to have any shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

Notice of Annual General Meeting

7. Members may raise questions at the AGM or submit questions related to the resolutions to be tabled for approval at the AGM, in advance of the AGM. For members who would like to submit questions in advance of the AGM, they may do so by **21 October 2026, 10.00 a.m.**, as this will allow the Company sufficient time to address and respond to these questions on or before **23 October 2026** (not less than forty-eight (48) hours prior to the closing date and time for the lodgment of the proxy forms):
- (a) if submitted by post, be lodged at the registered office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com.
- Members submitting questions are requested to state: (a) their full name; and (b) the member's identification/Company registration number, failing which the Company shall be entitled to regard the submission as invalid.
- Where substantially similar questions are received, the Company will consolidate such questions and consequently not all questions may be individually addressed. The responses will be published on SGXNet and the Company's corporate website. Where substantial and relevant questions submitted by members are unable to be addressed prior to the AGM, including any questions received by the Company after **21 October 2026, 10.00 a.m.**, the Company will address them during the AGM.
8. The Directors will endeavour to address as many substantial and relevant questions as possible during the AGM. However, members should note that there may not be sufficient time available at the AGM to address all questions raised. Please note that individual responses will not be sent to members. The minutes of the AGM will be published on SGXNet at <http://www.sgx.com/securities/company-announcements/> and the Company's website at <https://www.ughealthcarecorporation.com/investor-relation> within one (1) month after the date of the AGM.
9. Members are reminded to check SGXNet for any latest updates on the status of the AGM.

PERSONAL DATA PRIVACY

Where a member of the Company submits an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, proxy lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This notice has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**").*

*This notice 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 notice, including the correctness of any of the statements or opinions made, or reports contained in this notice.*

The contact person for the Sponsor is Mr. Bernard Lim (Telephone no.: (65) 6232 3232) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

Appendix

APPENDIX DATED 13 OCTOBER 2026

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt about the contents herein or as to the action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

This appendix ("**Appendix**") is circulated to the shareholders of UG Healthcare Corporation Limited (the "**Company**"), together with the Company's annual report for the financial year ended 30 June 2026 (the "**Annual Report**"). The notice of the annual general meeting and the accompanying proxy form are enclosed with the Annual Report.

If you have sold or transferred all your shares in the capital of the Company held through the Central Depository (Pte) Limited ("**CDP**"), you need not forward this Appendix with the notice of annual general meeting and the attached proxy form to the purchaser or transferee as arrangements will be made by CDP for a separate Appendix with the notice of annual general meeting and the attached proxy form to be sent to the purchaser or transferee. If you have sold or transferred all your shares in the capital of the Company represented by physical share certificate(s), you should immediately forward this Appendix, together with the notice of annual general meeting and the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker or agent through whom you effected the sale or transfer, for onward transmission to the purchaser or transferee.

*This Appendix has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**").*

*This Appendix 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 Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.*

The contact person for the Sponsor is Mr. Bernard Lim (Telephone: 65 6232-3232) at 1 Robinson Road, #21-01 AIA Tower, Singapore 048542.

DEFINITIONS

The following definitions apply throughout in this Appendix except where the context otherwise requires:

“2026 AGM”	: The AGM to be held on 28 October 2026 at 10.00 a.m. at YMCA Singapore
“ACRA”	: Accounting and Corporate Regulatory Authority of Singapore
“AGM”	: The annual general meeting of the Company
“Annual Report”	: The Company’s annual report for the financial year ended 30 June 2026
“Appendix”	: This appendix to Shareholders dated 13 October 2026
“Approval Date”	: The date of the 2026 AGM, whereby approval for the proposed renewal of the Share Buy-back Mandate is sought
“Associate”	: (a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: (i) his immediate family (being spouse, child, adopted child, step child, sibling and parent); (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and (iii) any company in which he and his immediate family together (directly and indirectly) have an interest of 30.0% or more; and (b) in relation to a Substantial Shareholder or a Controlling Shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30.0% or more
“Associated Company”	: A company in which at least 20.0% but not more than 50.0% of its shares are held by the Company or the Group, and over which the Company has control
“Board”	: The board of directors of the Company from time to time
“Catalist”	: The Catalist board of the SGX-ST
“Catalist Rules”	: The Listing Manual (Section B: Rules of Catalist) of the SGX-ST, as amended, supplemented or modified from time to time
“CDP”	: The Central Depository (Pte) Limited
“Companies Act”	: The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time
“Company”	: UG Healthcare Corporation Limited
“Constitution”	: The Constitution of the Company, as amended, supplemented or modified from time to time

“Controlling Shareholder”	: A person who:
	(a) holds directly or indirectly 15.0% or more of the nominal amount of all voting shares in the Company. Notwithstanding, the SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or
	(b) in fact exercises control over the Company
“Director”	: The directors of the Company as at the date of this Appendix
“EPS”	: Earnings per Share
“FY”	: Financial year ended or ending 30 June (as the case may be)
“Group”	: The Company and its subsidiaries as they may exist from time to time
“Latest Practicable Date”	: 18 September 2026, being the latest practicable date prior to the printing of this Appendix
“Market Day”	: A day on which the SGX-ST is open for trading in securities
“NAV”	: Net asset value
“Notice of AGM”	: The notice of AGM of the Company as set out in pages 168 to 174 of the Annual Report
“NTA”	: Net tangible assets
“Ordinary Resolution”	: The ordinary resolution as set out in the Notice of AGM
“Relevant Period”	: The period commencing from the Approval Date whereby the Ordinary Resolution in relation to the renewal of the Share Buy-back Mandate is passed and expiring on the earliest of (i) the date on which the next AGM is or is required by law or the Constitution to be held; (ii) the date on which the Share Buy-backs are carried out to the full extent mandated; or (iii) the date the said mandate is revoked or varied by the Shareholders in a general meeting
“Securities Account”	: Securities account maintained by a Depositor with CDP, but does not include a securities sub-account maintained with a Depository Agent
“Securities and Futures Act”	: Securities and Futures Act 2001 of Singapore, as amended, supplemented or modified from time to time
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“SGXNet”	: Singapore Exchange Network, the system network used by listed companies to send information and announcements to the SGX-ST, or any other system networks prescribed by the SGX-ST
“Share Buy-back(s)”	: The purchase or acquisition by the Company of its own issued and fully paid up Shares
“Share Buy-back Mandate”	: The proposed mandate to authorise the Directors to exercise all powers of the Company to carry out Share Buy-backs, the terms of which are set out in this Appendix
“Shareholders”	: Persons who are registered as holders of the Shares in the Register of Members maintained by the Company, except where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors whose Securities Accounts maintained with the CDP are credited with Shares

“Shares”	: Ordinary shares in the capital of the Company
“SIC”	: The Securities Industry Council of Singapore
“Sponsor”	: SAC Capital Private Limited
“subsidiary holdings”	: Shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act
“Substantial Shareholder”	: A person who has an interest in Shares representing not less than 5.0% of the total votes attached to all the Shares
“Take-over Code”	: The Singapore Code on Take-overs and Mergers, as modified, supplemented or amended from time to time
“S\$” and “cents”	: Singapore dollars and cents respectively
“%”	: Per centum or percentage

The terms **“Depositor”**, **“Depository Agent”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act.

The term **“treasury shares”** shall have the meaning ascribed to it in Section 4 of the Companies Act. The term **“subsidiary”** shall have the meaning ascribed to it in Section 5 of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa. Words importing the masculine shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Appendix to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act, the Take-over Code, the Securities and Futures Act or the Catalist Rules or any modification thereof and used in this Appendix shall, unless provided otherwise, have the same meaning ascribed to it under the Companies Act, the Take-over Code, the Securities and Futures Act or the Catalist Rules (or any modification thereof, as the case may be).

Any discrepancies in the figures included herein between the listed amounts and totals thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures that precede them.

Any reference to a time of a day and dates in this Appendix shall be a reference to Singapore time and dates, unless otherwise stated.



UG HEALTHCARE CORPORATION LIMITED
(Incorporated In Singapore with Unique Entity No.: 201424579Z)

LETTER TO SHAREHOLDERS

Board of Directors:

Mr. Wong Fook Choy Sunny (Non-Executive Chairman and Independent Director)
Mr. Lee Jun Yih (Joint CEO, Executive Director and Finance Director)
Mr. Lee Jun Linn (Joint CEO, Executive Director and Chief Operating Officer)
Mr. Law Cheong Yan (Independent and Non-Executive Director)
Ms. Gillian Ng Lee Eng (Independent and Non-Executive Director)

Registered Office:

5 Shenton Way
#12-01
UIC Building
Singapore 068808

13 October 2026

To: The Shareholders of UG Healthcare Corporation Limited

Dear Sir / Madam,

THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

1. INTRODUCTION

- 1.1 The Directors wish to refer Shareholders to (i) the Notice of AGM accompanying the Annual Report, and (ii) Ordinary Resolution 8 in relation to the proposed renewal of the Share Buy-back Mandate under the heading "Special Business" set out in the Notice of AGM.
- 1.2 The purpose of this Appendix is to provide Shareholders with information relating to the proposed renewal of the Share Buy-back Mandate, and to seek Shareholders' approval for the same at the 2026 AGM.
- 1.3 The SGX-ST assumes no responsibility for the accuracy of any statements made or opinions expressed or reports contained in this Appendix.

2. THE PROPOSED RENEWAL OF THE SHARE BUY-BACK MANDATE

2.1 Background

- 2.1.1 At the Company's AGM held on 29 October 2025, Shareholders approved the renewal of the Share Buy-back Mandate, such mandate being expressed to take effect until the conclusion of the next AGM or the date by which such AGM is required by law or the Constitution to be held; unless prior thereto, Share Buy-backs are carried out to the full extent mandated or the Share Buy-back Mandate is varied or revoked by the Shareholders in a general meeting. Accordingly, the Directors propose that the Share Buy-back Mandate be renewed at the 2026 AGM.
- 2.1.2 The terms in respect of which the Share Buy-back Mandate is sought to be renewed are set out in this Appendix.
- 2.1.3 Subject to its continued relevance to the Company, the Share Buy-back Mandate will be put to Shareholders for renewal at each subsequent AGM.

2.2 Rationale for the Share Buy-back Mandate

2.2.1 The rationale for the renewal of the Share Buy-back Mandate is as follows:-

- (a) the Share Buy-back Mandate will give the Company the flexibility to carry out Share Buy-backs if and when circumstances permit. The Board believes that Share Buy-backs would allow the Company and the Board to better manage the Company's share capital structure, dividend payout and cash reserves.
- (b) the Share Buy-back Mandate also provides the Board with a mechanism to facilitate the return of surplus cash over and above the Company's ordinary capital requirements in an expedient and cost-efficient manner, and the opportunity to exercise control over the Company's share capital structure with a view to enhancing the EPS and/or NAV per Share.
- (c) the Board believes that Share Buy-backs may help the Company to mitigate short-term market volatility in the Company's share price, offset the effects of short-term share speculations and bolster Shareholders' confidence.

2.2.2 Shares purchased or otherwise acquired pursuant to the Share Buy-back Mandate may be held or dealt with as treasury shares, which may be utilised pursuant to the Unigloves Employee Share Option Scheme and/or the Unigloves Performance Share Plan.

2.2.3 If and when circumstances permit, the Board will decide (i) whether to exercise the Share Buy-back Mandate through on-market purchases or off-market purchases of Shares; and (ii) whether the Shares purchased or acquired should be held as treasury shares or cancelled, after taking into account the amount of surplus cash available, the prevailing market conditions and the most cost-effective and efficient approach.

2.2.4 Shareholders should note that Share Buy-backs will only be made when the Board believes that such Share Buy-backs would be made in circumstances which would not have a material adverse effect on the financial position of the Company and the Group, and when the Board believes that such Share Buy-backs would be in the best interest of the Company and its Shareholders.

2.3 Authority and limits on the Share Buy-back Mandate

The authority and limitations placed on the Share Buy-backs under the Share Buy-back Mandate are as follows:-

2.3.1 Maximum number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired is limited to such number of Shares representing not more than 10.0% of the total issued and paid-up Shares as at the Approval Date, unless, at any time during the Relevant Period, the Company has reduced its share capital by way of a special resolution under Section 78C of the Companies Act, or the Court has made an order under Section 78I of the Companies Act confirming the reduction of share capital of the Company, in which event the total number of Shares shall be taken to be the total number of Shares as altered. Shares which are held by the Company as treasury shares and subsidiary holdings will be disregarded for the purposes of calculating this 10.0% limit.

For illustrative purposes only, based on the existing issued and paid-up capital of the Company comprising 623,825,811 Shares as at the Latest Practicable Date, and assuming that (i) no further Shares are issued and no changes are made to the share capital of the Company; (ii) no further Shares are purchased or held by the Company as treasury shares or cancelled; (iii) no further Shares are held as subsidiary holdings on or prior to the 2026 AGM, not more than 62,382,581 Shares (representing 10.0% of the total Shares excluding treasury shares and subsidiary holdings) may be purchased or acquired by the Company pursuant to the Share Buy-back Mandate.

As at the Latest Practicable Date, the Company does not hold any treasury shares and subsidiary holdings.

2.3.2 Duration of authority

Under the Share Buy-back Mandate, Share Buy-backs may be made during the Relevant Period, at any time and from time to time, from the Approval Date up to the earlier of:

- (a) the date on which the next AGM is held or is required by law to be held;
- (b) the date on which Share Buy-backs are carried out to the full extent mandated under the Share Buy-back Mandate; or
- (c) the date on which the authority contained by the Share Buy-back Mandate is varied or revoked by the Shareholders in a general meeting.

The authority conferred by the Share Buy-back Mandate may be renewed at each AGM or any other general meeting of the Company, subject to its continued relevance to the Company.

2.3.3 Manner of Share Buy-backs

Share Buy-backs under the Share Buy-back Mandate may be made by way of:

- (a) on-market purchases transacted on the SGX-ST or through any other securities exchange on which the Shares may, for the time being, be listed ("**Market Purchases**"); and/or
- (b) off-market purchases transacted otherwise than on the SGX-ST or any other securities exchange, in accordance with an equal access scheme (as defined in Section 76C of the Companies Act) ("**Off-Market Purchases**").

In an Off-Market Purchase, the Directors may impose such terms and conditions as are consistent with the Share Buy-back Mandate, the Catalist Rules, the Companies Act, the Constitution and other applicable laws and regulations as they consider fit in the interests of the Company in connection with or in relation to an equal access scheme. Under the Companies Act, an Off-Market Purchase must satisfy all the following conditions:

- (a) offers for the Share Buy-backs shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (b) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

- (c) the terms of all the offers are the same, except that there shall be disregarded:
 - (i) differences in consideration attributable to the fact that offers relate to Shares with different accrued dividend entitlements;
 - (ii) (if applicable) differences in consideration attributable to the fact that offers relate to Shares with different amounts remaining unpaid; and
 - (iii) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, Rule 870 of the Catalist Rules provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders containing at least the following information:

- (i) the terms and conditions of the offer;
- (ii) the period and procedures for acceptances;
- (iii) the reasons for the Share Buy-back;
- (iv) the consequences, if any, of Share Buy-backs by the Company that will arise under the Take-over Code or other applicable takeover rules;
- (v) whether the Share Buy-backs, if made, would have any effect on the listing of the Shares on the Catalist;
- (vi) details of any Share Buy-backs made by the Company in the previous twelve (12) months (whether by way of Market Purchases or Off-Market Purchases), setting out the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for the Share Buy-backs, where relevant, and the total consideration paid for the Share Buy-backs; and
- (vii) whether the Shares purchased by the Company will be cancelled or kept as treasury shares.

2.3.4 Maximum purchase price

The purchase price per Share (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) to be paid for a Share to be purchased or acquired will be determined by the Directors. However, the purchase price per Share to be paid as determined by the Directors must not exceed:

- (a) 105.0% of the Average Closing Price (as defined hereinafter) for a Market Purchase; and
- (b) 120.0% of the Average Closing Price (as defined hereinafter) for an Off-Market Purchase, (the “**Maximum Price**”) excluding related expenses of the Share Buy-back.

For the purposes of determining the Maximum Price above:

“**Average Closing Price**” means the average of the closing market prices of the Shares over the last five (5) Market Days on which transactions in the Shares were recorded, before the day of the Market Purchase by the Company or, as the case may be, the Offer Date (as defined below) pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Days period and the day on which the Share purchases are made; and

“**Offer Date**” means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

2.4 Status of purchased or acquired Shares under the Share Buy-back Mandate

- 2.4.1 Any Shares purchased or otherwise acquired by the Company under a Share Buy-back is deemed cancelled immediately on completion of the Share Buy-back (and all rights and privileges attached to the Share will expire on such cancellation) unless such Share is held by the Company as a treasury share to the extent permitted under the Companies Act. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or otherwise acquired by the Company and which are not held as treasury shares.
- 2.4.2 Any Shares purchased or acquired by the Company under a Share Buy-back (which are not held by the Company as treasury shares to the extent permitted under the Companies Act) will be automatically delisted by the SGX-ST, and (where applicable) the certificates in respect thereof will be cancelled by the Company as soon as reasonably practicable following settlement of any Share Buy-back.
- 2.4.3 At the time of each Share Buy-back, the Company may decide whether the Shares purchased or otherwise acquired will be cancelled or held as treasury shares, or partly cancelled and partly kept as treasury shares, depending on the needs of the Company and as the Directors deem fit in the interests of the Company at that time.

2.5 Treasury Shares

Under the Companies Act, Shares purchased or otherwise acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

Maximum holdings

- 2.5.1 The number of Shares held as treasury shares cannot at any time exceed 10.0% of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Companies Act within 6 months beginning on the date on which that contravention occurs or such further periods as ACRA may allow.
- 2.5.2 The Company has no Shares held as treasury shares as at the Latest Practicable Date. Assuming no changes to the share capital of the Company during the Relevant Period, the maximum number of Shares that may be held as treasury shares is 62,382,581 treasury shares.

Voting and other rights

- 2.5.3 The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.
- 2.5.4 In addition, no dividend may be paid, and no other distribution (whether in cash or otherwise) of the Company's assets may be made to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus shares in respect of treasury shares is allowed. The subdivision or consolidation of treasury shares into greater or smaller numbers is allowed so long as the total value of the treasury shares after such subdivision or consolidation is the same as before the subdivision or consolidation, as the case may be.

Disposal and cancellation

2.5.5 Where Shares are held as treasury shares, the Company may at any time (subject to the Take-over Code):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, Directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

2.5.6 Under Rule 704(31) of the Catalist Rules, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the “Usage”). Such announcement must include details such as the date of the Usage, the purpose of the Usage, the number of treasury shares comprised in the Usage, the number of treasury shares before and after the Usage, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after the Usage.

2.6 Reporting requirements

2.6.1 Within thirty (30) days of the passing of a Shareholders’ Ordinary Resolution to approve any Share Buy-back, the Company shall lodge a copy of such resolution with ACRA.

2.6.2 The Company shall notify ACRA, using the prescribed form, within thirty (30) days of a Share Buy-back on the SGX-ST or otherwise. Such notification shall include, *inter alia*, the details of the Share Buy-back, such as the date of the Share Buy-backs, the total number of Shares purchased or acquired, the number of Shares cancelled, the number of Shares held as treasury shares, the Company’s issued share capital before and after the Share Buy-back and the amount of consideration paid by the Company for the Share Buy-back, whether the Shares were purchased or acquired out of the profits or the capital of the Company, and such other particulars as may be required by ACRA.

2.6.3 Within thirty (30) days of the cancellation or disposal of treasury shares in accordance with the provisions of the Companies Act, the Directors shall lodge with ACRA the notice of cancellation or disposal of treasury shares in the prescribed form as required by ACRA.

2.6.4 Rule 871 of the Catalist Rules specify that a listed company must make an announcement on SGXNet of all purchases or acquisitions of its shares no later than 9.00 a.m.:

- (a) in the case of a Market Purchase, on the Market Day following the day on which the Market Purchase was made; and
- (b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer for the Off-Market Purchase.

2.6.5 The announcement must be in the form of Appendix 8D prescribed by the Catalist Rules. The Company shall make arrangements with its stockbrokers to ensure that they provide to the Company in a timely fashion the necessary information which will enable the Company to make the necessary announcements.

2.7 Source of funds

2.7.1 In purchasing or acquiring its own Shares, the Company may only apply funds legally available for Share Buy-backs as provided in the Constitution, Catalyst Rules and the applicable laws of Singapore. The Company may not purchase its Shares for a consideration other than in cash or, in the case of a Market Purchase or otherwise acquired, for settlement otherwise than in accordance with the trading rules of the SGX-ST.

2.7.2 Under the Companies Act, Share Buy-backs may be made out of the Company's distributable profits or capital so long as the Company is solvent. In determining whether the Company is solvent, the Directors must have regard to the most recently audited financial statements, other relevant circumstances, and may rely on valuations or estimation of assets or liabilities. In determining the value of contingent liabilities, the Directors may take into account the likelihood of the contingency occurring, as well as any counter-claims by the Company.

Pursuant to Section 76F(4) of the Companies Act, a company is "solvent" if the following conditions are satisfied:

- (a) there is no ground on which the company could be found to be unable to pay its debts;
- (b) if,
 - (i) it is intended to commence the winding up of the company within the period twelve (12) months immediately after the date of payment, the company will be able to pay its debts as they fall due during the period of twelve (12) months after the date of commencement of the winding up; or
 - (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of twelve (12) months immediately after the date of the payment; and
- (c) the value of the Company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the purchase or acquisition of Shares, become less than the value of its liabilities (including contingent liabilities).

2.7.3 The Company intends to use internal sources of funds (i.e. cash and cash equivalents) or external borrowings, or a combination of internal resources and external borrowings to finance the Company's Share Buy-backs pursuant to the Share Buy-back Mandate. The Directors do not propose to exercise the Share Buy-back Mandate in a manner and to such extent that it would have a material adverse effect on the financial position, liquidity and/or the capital adequacy of the Company or the Group.

2.8 Financial effects

2.8.1 The financial effects on the Company and the Group arising from Share Buy-backs pursuant to the Share Buy-back Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number and price paid for such Shares and whether the Shares purchased or acquired are held as treasury shares or cancelled.

2.8.2 **The Share Buy-back scenarios discussed below are for illustrative purposes only**, to illustrate the financial effects on the Company and the Group arising from Share Buy-backs pursuant to the Share Buy-back Mandate under those scenarios, based on the audited financial statements of the Company and the Group for FY2026, and under the following principal assumptions:

- (i) The Share Buy-backs pursuant to the Share Buy-back Mandate had been effective on 1 July 2025 for the purpose of computing the financial effects on the EPS of the Company and Group;
- (ii) The Share Buy-backs pursuant to the Share Buy-back Mandate had taken place on 30 June 2026 for the purpose of computing the financial effects on shareholders' equity, NTA per share, current ratio and gearing ratio of the Company and Group;
- (iii) The Share Buy-backs will be based on a total of 623,825,811 Shares in issue as the Latest Practicable Date, and assuming no change in the number of Shares on or prior to the Approval Date, the Company carried out Share Buy-backs in respect of 62,382,581 Shares representing 10.0% of the total number of Shares (excluding treasury shares and subsidiary holdings);
- (iv) **In the scenarios where the Company makes Market Purchases:** Assuming that the Company purchases or acquires 62,382,581 Shares at the Maximum Price of approximately S\$0.081 (being the price equivalent to 105.0% of the Average Closing Price of the Shares over the last five (5) Market Days on which the Shares were transacted on SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the Share Buy-back of 62,382,581 Shares would be approximately S\$5.05 million;
- (v) **In the scenarios where the Company makes Off-Market Purchases:** Assuming that the Company purchases or acquires 62,382,581 Shares at the Maximum Price of approximately S\$0.092 (being the price equivalent to 120.0% of the Average Closing Price of the Shares over the last five (5) Market Days on which the Shares were transacted on SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the Share Buy-back of 62,382,581 Shares would be approximately S\$5.74 million;
- (vi) Transaction costs incurred for the Share Buy-backs pursuant to the Share Buy-back Mandate have been assumed to be insignificant and hence have been disregarded for the purpose of computing the financial effects; and
- (vii) The Share buy-back will be funded by the Company solely from internal funding.

Illustrative financial effects

2.8.3 For illustrative purposes only, and based the assumptions set out above, the financial effects of the:

- (a) Share Buy-backs of 62,382,581 Shares by the Company made entirely out of capital and the purchased Shares are held in treasury; and
- (b) Share Buy-backs of 62,382,581 Shares by the Company made entirely out of capital and the purchased Shares are cancelled;

on the audited financial statements of the Company and the Group for FY2026 are set out in the following pages.

2.8.4 Other than as described in Section 2.8.2 above, the financial effects of Share Buy-backs by the Company by way of purchases made out of profits are similar to that of purchases made out of capital. Therefore, and solely for purposes of illustration, only the financial effects of Share Buy-backs by way of purchases made out of capital are set out in this Appendix.

Scenario 1 – Market Purchases of 62,382,581 Shares out of capital and held as treasury shares

	Group			Company		
	After Share Buy-Back			After Share Buy-Back		
	Before Share Buy-Back	Market Purchases	Off-Market Purchases	Before Share Buy-Back	Market Purchases	Off-Market Purchases
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
As at 30 June 2026						
Share capital	59,652	59,652	59,652	59,652	59,652	59,652
Treasury shares	–	(5,053)	(5,739)	–	(5,053)	(5,739)
Non-controlling interest	(1,990)	(1,990)	(1,990)	–	–	–
Total equity	169,768	164,715	164,029	81,432	76,379	75,693
Net tangible assets (NTA) ⁽¹⁾	149,265	144,212	143,526	81,432	76,379	75,693
Current assets	137,088	132,035	131,349	80,550	75,497	74,811
Current liabilities	48,697	48,697	48,697	30,142	30,142	30,142
Working capital	88,391	83,338	82,652	50,408	45,355	44,669
Total borrowings ⁽²⁾	66,036	66,036	66,036	30,126	30,126	30,126
Cash and bank balances	27,410	22,357	21,671	12,613	7,560	6,874
Net Profit attributable to owners of the Company	2,099	2,099	2,099	827	827	827
Number of Shares excluding treasury shares	623,825,811	561,443,230	561,443,230	623,825,811	561,443,230	561,443,230
Financial Ratios						
NTA per share (cents) ⁽³⁾	23.93	25.69	25.56	13.05	13.60	13.48
EPS (cents) ⁽⁴⁾	0.34	0.37	0.37	0.13	0.15	0.15
Gearing ratio (times) ⁽⁵⁾	0.39	0.40	0.40	0.37	0.39	0.40
Current ratio (times) ⁽⁶⁾	2.82	2.71	2.70	2.67	2.50	2.48

Notes:-

(1) NTA equals total equity less non-controlling interests, intangible assets and goodwill.

(2) Total borrowings consist of total liabilities (excluding deferred tax liabilities and income tax liabilities).

(3) NTA per Share is computed based on the NTA divided by the number of Shares in issue (excluding treasury shares and subsidiary holdings).

(4) EPS has been computed based on net profit attributable to owners of the Company divided by the number of Shares in issue (excluding treasury shares and subsidiary holdings).

(5) Gearing ratio equals total borrowings divided by total equity.

(6) Current ratio equals current assets divided by current liabilities.

Scenario 2 – Market Purchases of 62,382,581 Shares out of capital and cancelled

	Group			Company		
	After Share Buy-Back			After Share Buy-Back		
	Before Share Buy-Back	Market Purchases	Off-Market Purchases	Before Share Buy-Back	Market Purchases	Off-Market Purchases
	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)	(S\$'000)
As at 30 June 2026						
Share capital	59,652	54,599	53,913	59,652	54,599	53,913
Non-controlling interest	(1,990)	(1,990)	(1,990)	–	–	–
Total equity	169,768	166,705	166,019	81,432	76,379	75,693
Net tangible assets (NTA) ⁽¹⁾	149,265	144,212	143,526	81,432	76,379	75,693
Current assets	137,088	132,035	131,349	80,550	75,497	74,811
Current liabilities	48,697	48,697	48,697	30,142	30,142	30,142
Working capital	88,391	83,338	82,652	49,581	45,355	44,669
Total borrowings ⁽²⁾	66,036	66,036	66,036	30,126	30,126	30,126
Cash and bank balances	27,410	22,357	21,671	12,613	7,560	6,874
Net Profit attributable to owners of the Company	2,099	2,099	2,099	827	827	827
Number of Shares excluding treasury shares	623,825,811	561,443,230	561,443,230	623,825,811	561,443,230	561,443,230
Financial Ratios						
NTA per share (cents) ⁽³⁾	23.93	25.69	25.56	13.05	13.60	13.48
EPS (cents) ⁽⁴⁾	0.34	0.37	0.37	0.13	0.15	0.15
Gearing ratio (times) ⁽⁵⁾	0.39	0.40	0.40	0.37	0.39	0.40
Current ratio (times) ⁽⁶⁾	2.82	2.71	2.70	2.67	2.50	2.48

Notes:-

- (1) NTA equals total equity less non-controlling interests, intangible assets and goodwill.
- (2) Total borrowings consist of total liabilities (excluding deferred tax liabilities and income tax liabilities).
- (3) NTA per Share is computed based on the NTA divided by the number of Shares in issue (excluding treasury shares and subsidiary holdings).
- (4) EPS has been computed based on net profit attributable to owners of the Company divided by the number of Shares in issue (excluding treasury shares and subsidiary holdings).
- (5) Gearing ratio equals total borrowings divided by total equity.
- (6) Current ratio equals current assets divided by current liabilities.

Shareholders should note that the financial effects set out above are based on the above-mentioned assumptions and are purely for purposes of illustration only. In particular, it is important to note that the above illustration is based on historical audited financial statements for FY2026 and is not necessarily representative of future financial performance.

The actual impact will depend on the number and price of the Shares bought back. As stated, the Directors do not propose to exercise the Share Buy-back Mandate to such an extent that it would have a material adverse effect on the working capital requirements, financial position and/or gearing of the Company or the Group. The purchase of the Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Company or the Group, and the prevailing marketing conditions. The Share Buy-back Mandate will be exercised with a view to enhance the EPS and/or NAV per share of the Company or the Group.

Although the Share Buy-back Mandate would authorise the Company to purchase or otherwise acquire up to 10.0% of the issued Shares (excluding treasury shares and subsidiary holdings), the Company may not necessarily purchase or acquire or be able to purchase or acquire the full 10.0% of the issued Shares (excluding treasury shares and subsidiary holdings). In addition, the Company may cancel all or part of the Shares purchased or acquired, or hold all or part of the Shares purchased or acquired as treasury shares. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of shares) in assessing the relative impact of a Share purchase before execution.

2.9 Tax implications

Shareholders who are in doubt as to their respective tax positions or the tax implications of a Share Buy-back by the Company or who may be subject to tax, whether in or outside Singapore, should consult their own professional advisers.

2.10 Requirements under the Catalist Rules

Listing Status

2.10.1 Rule 723 of the Catalist Rules require a listed company to ensure that at least 10.0% of its total number of its issued shares (excluding preference shares, convertible equity securities and treasury shares) in a class that is listed is at all times held by the public. The “public”, as defined under the Catalist Rules, are persons other than the directors, chief executive officer, substantial shareholders or controlling shareholders of the company or its subsidiaries, and the associates of such persons.

2.10.2 As at the Latest Practicable Date, there are 244,034,537 Shares representing approximately 39.12% of the total number of issued Shares are held by the public shareholders. **For illustrative purposes only**, assuming the Company undertakes Share Buy-backs up to the full 10.0% limit pursuant to the Share Buy-back Mandate, the number of issued Shares held by the public would be reduced to 181,651,956 Shares representing approximately 32.35% of the total number of issued Shares (excluding treasury shares). The Company does not have any individual shareholding limit or foreign shareholding limit.

2.10.3 Accordingly, the Directors are of the view that there is, at present, a sufficient number of Shares held by the public which would permit the Company to undertake Share Buy-backs to the full 10.0% limit pursuant to the Share Buy-back Mandate.

2.10.4 In undertaking any Share Buy-backs, the Directors will use their best efforts to ensure that, notwithstanding such purchases, a sufficient number of Shares remain in public hands so that the Share Buy-backs will not (i) adversely affect the listing status of the Shares on Catalist; (ii) cause market illiquidity; and (iii) adversely affect the orderly trading of the Shares.

Restrictions on Share Buy-backs

2.10.5 While the Catalist Rules do not expressly prohibit any purchase or acquisition of shares by a listed company during any particular time, the listed company would be regarded as an “insider” in relation to any proposed purchase or acquisition of its issued shares. As such, the Company will not undertake any Share Buy-backs pursuant to the Share Buy-back Mandate at any time after any matter or development of a price-sensitive nature has occurred or has been the subject of consideration and/or a decision of the Board until such price-sensitive information has been publicly announced or disseminated in accordance with the requirements of the Catalist Rules.

2.10.6 Further, in conformity with the best practices on dealing with securities under the Catalist Rules, the Company will not undertake any Share Buy-backs through Market Purchases or Off-Market Purchases during the period commencing 1 month before the announcement of the Group’s half-year and full year results.

2.11 Take-over implications

2.11.1 Appendix 2 of the Take-over Code contains the Share Buy-back Guidance Note applicable as at the Latest Practicable Date. The take-over implications arising from any Share Buy-backs are set out below:

Obligation to make a take-over offer

- (a) If, as a result of any Share Buy-back, a Shareholder’s proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as a result of such increase, a Shareholder or group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a mandatory take-over offer for the Company under Rule 14 of the Take-over Code.

Pursuant to Rule 14 of the Take-over Code, a Shareholder and persons acting in concert with the Shareholder will incur an obligation to make a mandatory take-over offer if, *inter alia*, he and persons acting in concert with him increase their voting rights in the Company to 30.0% or more or, if they, together holding between 30.0% and 50.0% of the Company’s voting rights, increase their voting rights in the Company by more than 1.0% in any period of six (6) months. In calculating the percentages of voting rights of such Directors and their concert parties, Treasury Shares shall be excluded.

Persons acting in concert

- (b) Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), cooperate, through the acquisition by any of them of shares in a company, to obtain or consolidate effective control of that company.

Unless the contrary is established, *inter alia*, the following persons will, be presumed to be acting in concert:

- (i) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the foregoing companies, any company whose associated companies include any of the foregoing companies, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the foregoing companies for the purchase of voting rights;
- (ii) a company with any of its directors, together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts;
- (iii) a company with any of its pension funds and employee share schemes;
- (iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

- (v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of the adviser and persons controlling, controlled by or under the same control as the adviser, and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser;
- (vi) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a bona fide offer for their company may be imminent;
- (vii) partners; and
- (viii) an individual, his close relatives, his related trusts, any person who is accustomed to act according to the instructions of that individual, companies controlled by any of the above, and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

Effect of Rule 14 and Appendix 2 of the Take-over Code

2.11.2 In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, the Directors and persons acting in concert with them will incur an obligation to make a take-over offer for the Company under Rule 14 if, as a result of the Company carrying out a Share Buy-back, the voting rights of such Directors and their concert parties would increase to 30.0% or more, or if the voting rights of such Directors and their concert parties fall between 30.0% and 50.0% of the Company's voting rights, the voting rights of such Directors and their concert parties would increase by more than 1.0% in any period of 6 months. The Directors and their concert parties will be exempted from the requirement to make a take-over offer subject to certain conditions as set out in the Take-over Code, including, *inter alia*:

- (a) the inclusion in the Appendix to Shareholders on the resolution to authorise the Share Buy-back Mandate advice to the effect that by voting for the resolution to authorise the Share Buy-back Mandate, Shareholders are waiving their right to a take-over offer at the required price from the Directors and parties acting in concert with them who, as a result of the Company carrying out a Share Buy-back, would increase their voting rights to 30.0% or more, or, if they together hold between 30.0% and 50.0% of the Company's voting rights, would increase their voting rights by more than 1.0% in any period of 6 months; and the names of such Directors and persons acting in concert with them, their voting rights at the time of the resolution and after Share Buy-backs pursuant to the Share Buy-back Mandate; and
- (b) the submission to the SIC by each of the Directors of an executed form as prescribed by the SIC within seven (7) days of the passing of the resolution to authorise the Share Buy-back Mandate.

2.11.3 Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 of the Take-over Code if, as a result of the Company carrying out a Share Buy-back, the voting rights of such Shareholder in the Company would increase to 30.0% or more, or if such Shareholder holds between 30.0% and 50.0% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1.0% in any period of 6 months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy-back Mandate unless so required under the Companies Act.

The statements in this Appendix do not purport to be a comprehensive or exhaustive description of all implications that may arise under the Take-over Code. Shareholders are advised to consult their professional advisers and/or the Securities Industry Council at the earliest opportunity as to whether an obligation to make a take-over offer under the Take-over Code would arise by reason of any Share Buy-backs by the Company.

Application of the Take-over Code

2.11.4 Details of the shareholdings of the Directors and Substantial Shareholders as at the Latest Practicable Date are set out in Section 3 below.

2.11.5 As at the Latest Practicable Date:

- (a) our Joint CEO, Executive Director and Finance Director, Mr. Lee Jun Yih;
- (b) our Joint CEO, Executive Director and Chief Operating Officer, Mr. Lee Jun Linn; and
- (c) our Controlling Shareholder, Ms. Sim Ai Cheng

(collectively, the “**Relevant Shareholders**”) whereby Ms. Sim Ai Cheng is the mother of Mr. Lee Jun Yih and Mr. Lee Jun Linn, and hence are presumed to be parties acting in concert in relation to their interests in the Company.

2.11.6 As at the Latest Practicable Date, the Relevant Shareholders hold an aggregate of 379,791,274 Shares, representing approximately 60.88% of the voting rights in the Company.

2.11.7 As the Relevant Shareholders hold more than 50.0% of the voting rights in the Company, the Relevant Shareholders and parties acting in concert with them are not expected to incur an obligation to make a mandatory take-over offer for the Shares under Rule 14.1 of the Take-over Code as a result of the Company buying back its Shares under the Share Buy-back Mandate.

Shareholders who are in any doubt as to whether they would incur any obligations to make a take-over offer as a result of any Share Buy-back pursuant to the Share Buy-back Mandate are advised to consult their professional advisers and/or the SIC and/or the relevant authorities at the earliest opportunity before they acquire any Shares during the period when the Share Buy-back Mandate is in force.

2.12 Shares purchased in the previous 12 months

No Share Buy-backs have been undertaken by the Company in the 12 months preceding the Latest Practicable Date.

3. DISCLOSURE OF SHAREHOLDINGS

As at the Latest Practicable Date, the interests of the Directors and Substantial Shareholders in the Shares of the Company are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	% ⁽¹⁾	Number of Shares	% ⁽¹⁾
<u>Directors</u>				
Lee Jun Yih	2,845,063	0.46	374,729,122	60.07
Lee Jun Linn	2,217,089	0.36	374,729,122	60.07
<u>Substantial Shareholders (other than Directors)</u>				
Sim Ai Cheng ⁽²⁾	–	–	374,729,122	60.07
Zen UG Pte. Ltd. ⁽³⁾⁽⁴⁾	156,537,713	25.09	141,318,282	22.65
Raydion Direct Global Inc ⁽³⁾	76,873,127	12.32	–	–

Notes:

- (1) Based on the total issued and fully paid-up ordinary share capital of 623,825,811 Shares as at the Latest Practicable Date.
- (2) Sim Ai Cheng is the mother of Lee Jun Yih and Lee Jun Linn.
- (3) Sim Ai Cheng, Lee Jun Yih and Lee Jun Linn are deemed to be interested in all the shares held by Zen UG Pte. Ltd. and Raydion Direct Global Inc by virtue of Section 7 of the Companies Act.
- (4) Zen UG Pte. Ltd. is deemed to be interested in 141,318,282 shares of the Company registered under CGS-CIMB Securities (Singapore) Pte. Ltd.
- (5) Minor discrepancies in the share percentages are due to rounding.

4. DIRECTORS' RECOMMENDATION

The Directors, having carefully considered, among others, the rationale and terms of the proposed renewal of the Share Buy-back Mandate, are of the opinion that it is in the best interests of the Company. Accordingly, they recommend that Shareholders to vote in favour of relating to the proposed renewal of the Share Buy-back Mandate at the 2026 AGM.

5. ANNUAL GENERAL MEETING

The 2026 AGM, notice of which is set out on pages 168 to 174 of the Annual Report, will be held on 28 October 2026 at 10.00 a.m. at YMCA @ One Orchard Road, Tan Chin Tuan Room Level 4, 1 Orchard Road, Singapore 238824 for the purpose of considering, and if thought fit, passing with or without any modifications, the Ordinary Resolution 8 as set out in the Notice of AGM.

6. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the 2026 AGM and who wish to appoint a proxy or proxies to attend and vote at the 2026 AGM on their behalf should complete, sign and return the proxy form attached to the Notice of AGM in accordance with the instructions printed thereon as soon as possible and in any event so as to arrive at the office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, not less than 72 hours before the time fixed for the 2026 AGM or any postponement or adjournment thereof. The appointment of a proxy by a Shareholder does not preclude him from attending and voting in person at the 2026 AGM if he wishes to do so.

A Depositor shall not be regarded as a member of the Company entitled to attend the 2026 AGM and to speak and vote thereat unless his name appears on the Depository Register at least 72 hours before the time appointed for the 2026 AGM.

7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the Share Buy-back Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Appendix misleading. Where information in this Appendix 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 Appendix in its proper form and context.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at 5 Shenton Way, #12-01 UIC Building, Singapore 068808, during normal business hours from the date of this Appendix up to the date of the 2026 AGM:

- (a) the Constitution of the Company; and
- (b) the Annual Report of the Company for the financial year ended 30 June 2026.

Yours faithfully,
For and on behalf of the Board of Directors
UG Healthcare Corporation Limited

Mr. Wong Fook Choy Sunny
Non-Executive Chairman and Independent Director

13 October 2026

PROXY FORM

(Please see notes overleaf before completing this Form)

IMPORTANT:

- The Notice of AGM, Proxy Form, Request Form and the Annual Report will be sent to members by electronic means via publication on the Company's website at <https://www.ughealthcarecorporation.com/investor-relation> and on the SGXNet at <https://www.sgx.com/securities/company-announcements>. Printed copies of the Notice, Proxy Form and Request Form will also be sent by post to members.
- A relevant intermediary may appoint more than two (2) proxies to attend the AGM and vote (please see Note 3 for the definition of "Relevant Intermediary").
- An investor who holds shares under Central Provident Fund Investment Scheme ("CPFIS Investor") and/or the Supplementary Retirement Scheme ("SRS Investor") (as may be applicable) may attend and cast his vote(s) at the AGM in person. CPFIS and SRS Investors who are unable to attend the AGM but would like to vote, may inform their respective CPF Agent Banks or SRS Investors to appoint the Chairman of the AGM to act as their proxy, in which case, the CPF and SRS Investors shall be precluded from attending the AGM.
- This Proxy Form is not valid for use by CPFIS Investors and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.

*I/We, _____ (Name)

*NRIC / Passport no. _____

of _____ (Address)

being a member/members of **UG HEALTHCARE CORPORATION LIMITED** (the "Company") hereby appoint

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	(%)
Address			

or failing the person, or either or both of the persons referred to above, the Chairman of the Annual General Meeting ("AGM") as *my/our *proxy/proxies to attend, speak or vote on *my/our behalf at the AGM of the Company to be held at YMCA @ One Orchard Road, Tan Chin Tuan Room Level 4, 1 Orchard Road, Singapore 238824 on Wednesday, 28 October 2026 at 10.00 a.m. and at any adjournment thereof.

*I/We have directed *my/our proxy/proxies to vote for or against the resolutions to be proposed at the AGM as indicated hereunder. If no specific directions as to voting are given, the *proxy/proxies (other than the Chairman of the Meeting) may vote for, against or abstain from voting on *his/their discretion, as *he/they will on any other matters arising at the AGM and/or at any adjournment thereof.

Voting would be conducted by poll. Please indicate your vote "For" or "Against" or "Abstain" with a tick [✓] within the box provided.

AS ORDINARY BUSINESS				
No.	Resolutions Relating to:	For	Against	Abstain
1	Adoption of Directors' Statement and Audited Financial Statements of the Company for the financial year ended 30 June 2026			
2	Re-election of Mr. Lee Jun Linn as Director			
3	Approval of Directors' fees for financial year ending 30 June 2027			
4	Re-appointment of Messrs Forvis Mazars LLP as auditors			
AS SPECIAL BUSINESS				
5	Authority to allot and issue new shares			
6	Authority to grant option and issue shares under the 2024 Unigloves ESOS			
7	Authority to grant awards and issue shares under the 2024 Unigloves PSP			
8	Renewal of the Share Buy-back Mandate			

* Delete where inapplicable

Dated this _____ day of _____ 2026

Total Number of Shares held in:	
CDP Register	
Register of Members	

Signature(s) of Member(s) or
Common Seal of Corporate Member

IMPORTANT: PLEASE READ NOTES OVERLEAF.

Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, 2001), you should insert that number of Shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member who is not a Relevant Intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her/its behalf at the AGM. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative or proxy to vote on its behalf at the AGM, in accordance with Section 179 of the Companies Act 1967.

Where such member appoints two (2) proxies, the proportion of his shareholding to be represented by each proxy shall be specified. If no proportion is specified, the Company shall be entitled to treat the first named proxy as representing the entire number of shares entered against his name in the Depository Register and any second named proxy as an alternate to the first named.

3. For any member who acts as a Relevant Intermediary pursuant to Section 181(6) of the Companies Act 1967, who is either:
 - a. a banking corporation licensed under the Banking Act 1970 or wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - b. a person holding a capital markets services licence holder provide under the Securities and Futures Act 2001 and who holds shares in that capacity; and
 - c. Central Provident Fund ("CPF") Board established by the Central Provident Fund Act 1953, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with the subsidiary legislation.

A member who is a Relevant Intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the AGM but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

Please note that if any of your shareholdings are not specified in the list provided by the Relevant Intermediary to the Company, the Company may have the sole discretion to disallow the said participation of the said proxy at the forthcoming AGM.

4. The proxy need not be a member of the Company.
5. A member can appoint the Chairman of the AGM as his/her/its proxy but this is not mandatory.
6. The Proxy Form must be submitted to in the following manner:
 - (a) if submitted by post, be lodged at the registered office of the Company's Share Registrar, B.A.C.S. Private Limited, at 77 Robinson Road, #06-03, Robinson 77, Singapore 068896; or
 - (b) if submitted electronically, be submitted via email to the Company's Share Registrar, B.A.C.S. Private Limited at main@zicoholdings.com.

in either case, by **25 October 2026, 10.00 a.m.**, being no later than seventy-two (72) hours before the time fixed for the AGM. A Member who wishes to submit a Proxy Form must complete and sign the Proxy Form, before submitting it by post to the address provided above, or before sending it by email to the email address provided above.

7. Completion and return of the Proxy Form by a member will not prevent him/her from attending, speaking and voting at the AGM if he/she so wishes. The appointment of the proxy(ies) for the AGM will be deemed to be revoked if the member attends the AGM in person and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the AGM.
8. The Proxy Form must be signed by the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the Proxy Form is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

General:

The Company shall be entitled to reject this instrument of proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in this instrument of proxy. In addition, in the case of members whose shares are entered in the Depository Register, the Company shall be entitled to reject any instrument of proxy lodged if the member, being the appointer, is not shown to have any shares entered against his/her name in the Depository Register as at seventy-two (72) hours before the time set for holding the AGM, as certified by The Central Depository (Pte) Limited to the Company.

PERSONAL DATA PRIVACY

By submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 13 October 2026.

Corporate Information

BOARD OF DIRECTORS

Mr. Wong Fook Choy Sunny

Non-Executive Chairman and Independent Director

Mr. Lee Jun Yih

Joint CEO, Executive Director and Finance Director

Mr. Lee Jun Linn

Joint CEO, Executive Director and Chief Operating Officer

Ms. Gillian Ng Lee Eng

Independent and Non-Executive Director

Mr. Law Cheong Yan

Independent and Non-Executive Director

AUDIT COMMITTEE

Ms. Gillian Ng Lee Eng (Chairman)

Mr. Law Cheong Yan

Mr. Wong Fook Choy Sunny

REMUNERATION COMMITTEE

Mr. Wong Fook Choy Sunny (Chairman)

Ms. Gillian Ng Lee Eng

Mr. Law Cheong Yan

NOMINATING COMMITTEE

Mr. Law Cheong Yan (Chairman)

Ms. Gillian Ng Lee Eng

Mr. Wong Fook Choy Sunny

COMPANY SECRETARY

Ms. Low Mei Mei, Maureen, ACS

REGISTERED OFFICE

5 Shenton Way

#12-01 UIC Building

Singapore 068808

website: www.ughealthcarecorporation.com

email: ir@ughealthcare.com

SHARE REGISTRAR

B.A.C.S. Private Limited

77 Robinson Road

#06-03 Robinson 77

Singapore 068896

AUDITORS

Forvis Mazars LLP

135 Cecil Street

#10-01

Singapore 069536

Partner-in-charge: **Mr. Chan Hock Leong, Rick**

(with effect from the financial year ended June 2023)

PRINCIPAL BANKERS

United Overseas Bank Limited, Singapore

United Overseas Bank (Malaysia) Berhad

Oversea-Chinese Banking Corporation Limited, Singapore

OCBC Bank (Malaysia) Berhad

CIMB Bank Berhad, Singapore Branch

The Hongkong and Shanghai Banking Corporation Limited,
Singapore

DBS Bank Ltd

CTBC Bank Co., Ltd

CONTINUING SPONSOR

SAC Capital Private Limited

1 Robinson Road

#21-01 AIA Tower

Singapore 048542

Tel: (65) 6232 3232

Registered professional: **Mr. Bernard Lim**

INVESTOR RELATIONS

Octave FinComm Private Limited

富登财经通讯私人有限公司

email: enquiry@octavecomms.com

website: www.octavecomms.com



UG HEALTHCARE CORPORATION LIMITED

(Unique Entity No. : 201424579Z)

www.ughealthcarecorporation.com