UG HEALTHCARE CORPORATION LIMITED
优格医疗有限公司
Incorporated in the Republic of Singapore
website: www.ughealthcarecorporation.com

NEWS RELEASE

UG HEALTHCARE BROADENS DOWNSTREAM DISTRIBUTION BUSINESS IN BRAZIL THROUGH ACQUISITION OF 50% STAKE IN UGHC BRAZIL

- ***Establishment of downstream distribution business through UGHC Brazil further strengthens the Group's market presence and growth potentials***

Singapore, 25 May 2018 – UG Healthcare Corporation Limited (优格医疗有限公司) ("**UG Healthcare**" and together with its subsidiaries, the "**Group**"), a disposable gloves manufacturer with its own established global downstream distribution business that markets and sells disposable glove products under its proprietary "***Unigloves***" brand, announced the establishment of its downstream distribution business in Brazil. The Group through its wholly owned subsidiary, Unigloves (Singapore) Pte Ltd, acquired 50% equity interest in a Brazilian distribution company, UGHC Brasil Importadora LTDA ("**UGHC Brazil**") for Brazilian Real 50,000 (equivalent to S$19,835 at an exchange rate of 1 BRL: S$0.3967 as at 31 March 2018).

The acquisition of UGHC Brazil reinforced the Group's commitment with its local Brazilian distribution partner to expand its market presence in Brazil. The Group made inroads into the Brazilian market through its local Brazilian distribution partner a few years ago. Business growth was subdued at the beginning due to the high barrier of entry with stringent requirements and registration process of its proprietary Unigloves brand of disposable glove products that were identified for its customers' requirements in the Brazilian market. Over time, the Group has built up its own sales and marketing team as well as its own warehousing and logistics infrastructure to support the local downstream distribution network.

Mr. Lee Jun Yih, Executive Director of UG Healthcare said, ***"We are pleased to update our shareholders that our efforts in building our own downstream distribution business in a potentially good growth market have paid off. The establishment of our Brazilian distribution company allows the Group to duplicate our unique upstream and downstream supply management model with our proprietary Unigloves brand of products into a new market. We are excited to achieve this new milestone and we are confident in scaling up our presence and growth***

in the Brazilian market. With the establishment of UGHC Brazil, the Group will also be consolidating the revenue and income generated from the distribution business to the Group's financials to further strengthen our financial performance."

The Group's strategy has always been cultivating demand for its proprietary "Unigloves" range of disposable gloves through its downstream distribution companies. These strategically established distribution companies in both developed and developing countries, have their local sales and marketing teams and distribution infrastructures (including local warehouses and logistics) as well as customer base. The market demand for its "Unigloves" range of products, in turn, drives the production volume in its upstream manufacturing facilities in Malaysia. This approach allows the Group to manage the value chain seamlessly and efficiently.

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This press release is to be read in conjunction with the Company's announcement posted on the SGX website on 25 May 2018.

About UG HEALTHCARE CORPORATION LIMITED

(Stock Codes – SGX: 41A | Bloomberg: UGHC SP | Reuters: UGHE.SI)

UG Healthcare Corporation Limited (优格医疗有限公司) ("**UG Healthcare**" and together with its subsidiaries, the "**Group**"), is a disposable gloves manufacturer with its own established global downstream distribution that markets and sells disposable glove products under its proprietary "**Unigloves**" brand.

The Group owns and operates an extensive downstream network of distribution companies with a local presence in Europe, United Kingdom, USA, China, Africa, South America, Japan, Korea and Canada, where it markets and sells its own proprietary "Unigloves" brand of disposable gloves. The Group also distributes ancillary products including surgical gloves, vinyl and cleanroom disposable gloves, face masks and other medical disposables.

These downstream distribution companies are 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 manufacturing facilities located in Seremban, Malaysia.

Its "Unigloves" brand of disposable gloves offers an extensive product range that includes both specialised products, with a variety of coatings, scents, colours, thickness, anti-microbial properties for more specialised users, as well as generic products. These products are used across a diverse range of industries requiring cross infection protection and hygiene standards, whilst catering to different applications and preferences.

For more information, please visit the company's website at www.ughealthcarecorporation.com

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Issued for and on behalf of **UG HEALTHCARE CORPORATION LIMITED** *by*:

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*This press release has been prepared by UG Healthcare Corporation Limited (the "**Company**") and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this press release.*

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