



UG Healthcare Corporation Limited

(Incorporated in Singapore with Unique Entity No.: 201424579Z)

SGX Stock Code: 41A

website: www.ughealthcarecorporation.com

ACQUISITION OF A SUBSIDIARY WHICH OWNS A PROPERTY IN MALAYSIA

1. INTRODUCTION

The board of directors (the “**Directors**”) of UG Healthcare Corporation Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company had acquired a 100% interest in UG Engineering Sdn Bhd, a private limited company duly incorporated in Malaysia (“**UG Engineering**”) for a nominal cash consideration of RM100 (approximately S\$32.90 based on an exchange rate of RM1 : S\$0.328953) (the “**UG Engineering Consideration**”) (the “**UG Engineering Acquisition**”).

Prior to the completion of the acquisition of the Subsidiary, UG Engineering had 22 January 2020 acquired a property located in Seremban, Malaysia (the “**Property**”) for a consideration of RM5,000,000 (approximately S\$1,644,765) (the “**Property Consideration**”) (the “**Property Acquisition**” and together with the UG Engineering Acquisition, the “**Acquisitions**”). In this regard, the total amount of cash consideration paid by the Company for both UG Engineering and the Property amounted to RM5,000,100 (approximately S\$1,644,797.90) (the “**Total Consideration**”).

2. INFORMATION ON UG ENGINEERING

UG Engineering is a private limited company incorporated in Malaysia in August 2019, with an issued and paid-up share capital of RM100 (approximately S\$32.90) comprising 100 shares. UG Engineering was incorporated for the purposes of acquiring the Property and has been dormant prior to being acquired by the Company.

3. INFORMATION ON THE PROPERTY AND RATIONALE FOR THE ACQUISITIONS

The Property is a vacant leasehold industrial land measuring approximately 17233 m² held under Lot 1150, Pekan Senawang in Seremban, Negeri Sembilan, Malaysia. The Property is strategically located within close vicinity of the Group’s two manufacturing plants in Seremban, Negeri Sembilan, Malaysia.

The Property will be used for the Group’s business expansion purposes.

4. TOTAL CONSIDERATION

The Total Consideration was arrived at after arm's length negotiations on a willing buyer willing seller basis, taking into account various factors including, *inter alia*, the market value of the Property derived from comparison method of valuation. The Total Consideration was satisfied by way of cash and fully funded by the Company's internal resources.

5. RELATIVE FIGURES FOR THE ACQUISITIONS

The Total Consideration amounting to approximately S\$1,644,797.90 represents 3.8% of the Group's latest audited net tangible assets for the financial year ended 30 June 2019 of S\$43,067,000.

None of the relative figures for the Acquisitions computed on the applicable bases under Rule 1006 of the Catalist Rules exceeds 5%.

6. INTEREST OF THE DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above, none of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect, in the Acquisitions.

By Order of the Board

UG Healthcare Corporation Limited

Lee Keck Keong

Executive Director and CEO

8 September 2020

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

This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited ("SGX-ST") and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

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