



**20 February 2019**

## **USP GROUP TO SELL ITS BIOFUEL SUBSIDIARY**

**Singapore, 20 February 2019** – Mainboard-listed, USP Group Limited (“USP” or “Group”), a diverse business group, today announced that it has entered into a non-binding term sheet with AJ Shanaya Venture Pte Ltd, a company jointly owned by the founders of AJ Jetting Pte Ltd and Shanaya Environmental Services Pte Ltd, to sell its subsidiary company, Biofuel Research Pte Ltd to them.

Biofuel Research Pte Ltd is one of the first companies in Singapore to pioneer proprietary technology to convert waste oil to biodiesel.

Mr Kan Bright Pan, CEO of USP Group Ltd, said: “After carefully analysing the business and its contribution to the Group, the Board has decided to sell Biofuel Research as it is attractively priced so that we can concentrate more on our marine business. In view of this, the Group will explore new markets and opportunities, investing in R&D for other marine products to increase the product range”.

Commenting on the announcement Mr. Ansari, Co-Founder and Adviser of AJ Shanaya Venture Pte Ltd said, “Taking over of Biofuel Research is an exciting development for us and this attests to the strong corporate brand name that AJ and Shanaya currently enjoy in the waste management and recycling industry of Singapore.”

AJ Shanaya Pte Ltd is interested to acquire 100 per cent of Biofuel Research Pte Ltd for a consideration of S\$ 6,000,000. As the Group holds 93.09% of Biofuel, the potential proceeds due to the Group is \$5,590,000.

A definitive conditional sale and purchase agreement and any other supplementary agreements (if applicable) is expected to be signed no later than 30<sup>th</sup> March 2019. As the transaction is classified as a major transaction under Chapter 10 of the Listing Manual and as such requires the approval of the shareholders.

None of the directors or substantial shareholders of USP has any interest, directly or indirectly, in the impending sale of the 93.09 percent shareholding in Biofuel Research Pte Ltd.

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**About USP Group Limited (USP)**

USP Group Limited ("USP") was listed on the mainboard of Singapore Exchange Securities Trading Limited ("SGX") in 2007 as Unionmet (Singapore) Limited. The company changed its name to USP Group Limited in 2015 after a restructuring exercise in 2013 which put in place the current management team.

Headquartered in Singapore, USP Group has diverse business sectors – distributorships/dealerships, calibration of environmental equipment (through the acquisition of Supratechnic Pte Ltd in 2016), property investments and recycling of waste oil. USP is now the sole distributor of "Mercury" marine products in Singapore, East & West Malaysia, Brunei and Indonesia.

The Group also has exclusive distribution rights in Singapore and Indonesia for IQ Air, a world leading Swiss air filter manufacturer for consumers and the medical industry as well as distributor for pharmaceutical and lab calibration services.

For recycling of waste oil, it provides solutions to process greasy water into biochemical and biofuels. The Group's property investments include 2 blocks of industrial properties and a workers dormitory in Woodlands. For more information, please see [www.uspgroup.com.sg](http://www.uspgroup.com.sg).

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