

USP GROUP LIMITED
(Company Registration No.: 200409104W)
(Incorporated in the Republic of Singapore)
(the "**Company**", with its subsidiaries, the "**Group**")

**PROPOSED ACQUISITION OF KOON CHENG DEVELOPMENT PTE LTD – RECEIPT OF
APPROVAL IN PRINCIPLE FOR THE LISTING AND QUOTATION OF 117,633,576 NEW SHARES**

1. INTRODUCTION

- 1.1. The Board of Directors (the "**Board**") of the Company refers to its earlier announcements dated 18 December 2015 and 8 January 2016 ("**Earlier Announcements**") in relation to the entry by the Company, its subsidiary, USP Properties Pte. Ltd. ("**USPP**"), and Sin Hong Hwa Pte Ltd (the "**Vendor**"), the sole shareholder of the Koon Cheng Development Pte Ltd (the "**Target**"), into a conditional sale and purchase agreement for the purchase the entire issued share capital of the Target (the "**Sale Shares**") (the "**Proposed Acquisition**").
- 1.2. As disclosed in the Earlier Announcements, the Consideration for the Proposed Acquisition will be satisfied by:
- (a) the transfer of S\$24,000,000 in immediately available funds to the bank account of the Vendor;
 - (b) the issuance by the Company of 117,633,576 New Shares at the issue price of S\$0.0608 per Share to the Vendor (and/or its assignee); and
 - (c) the transfer of 13,945,371 Treasury Shares from the Company's share buy-back account to the Vendor (and/or its assignee).
- 1.3. Unless otherwise defined herein, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Earlier Announcements.

**2. RECEIPT OF APPROVAL IN-PRINCIPLE FOR THE LISTING AND QUOTATION OF
117,633,576 NEW SHARES**

- 2.1. The Board wishes to announce that the SGX-ST had on 10 February 2016 granted its in-principle for the listing and quotation of the 117,633,576 New Shares on the Main Board of the SGX-ST.
- 2.2. The approval in-principle of the SGX-ST is subject to compliance with the SGX-ST's listing requirements.
- 2.3. Further announcements will be made by the Company in relation to completion of the Proposed Acquisition (including, among others, the issue and allotment of the New Shares and the transfer of the Treasury Shares) as and when appropriate.
- 2.4. Please note that the SGX-ST's in-principle approval is not to be taken as an indication of the merits of the Proposed Acquisition, the Consideration Shares, the Company and/or its subsidiaries.

BY ORDER OF THE BOARD

Li Hua
Executive Chairman
10 February 2016