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

FORMATION OF TRANSFORMATION OFFICE

The Board of Directors (the "***Board***") of USP Group Limited (the "***Company***", and together with its subsidiaries, the "***Group***") are pleased to announce that a Transformation Office will be constituted for the Group.

Despite the Covid-19 pandemic, the Group had been able to stem the tide of losses of about S$35 million over the past 4 years, to produce 4 quarters of profits (unaudited) for FY 2021. The Group had managed to reduce the Group's bank loans by about S$4.6 million, and also repaid a loan of S$1.5 million to a significant shareholder, since taking over the operations of the Group in February 2020.

Despite these early successes, the Board and Management are of the view that it is imperative that the Group seeks and adopts a holistic strategic business plan for the next 5 years for accelerated growth and financial stability of the Group.

The Transformation Office will review comprehensively all of the Group's operations, expenditures, roles and responsibilities of key staff and managers. The Transformation Office will work with the relevant key staff and managers of the Group to implement impactful changes in progressive phases, to help the Group achieve its vision and goals, creating an infrastructure which enables it to recognize and implement new business opportunities, thereby bringing the Group to an enhanced level of performance, exponential growth and stronger financial standing.

The Transformation Office will be led by Mr Tanoto Sau Ian, CEO and Executive Director of the Company, and Mr Lew Kwang Ping, Non-Independent and Non-Executive Director of the Company, and assisted by key staff and/or managers of the Group, consultants and relevant professionals.

By Order of the Board
USP GROUP LIMITED

Tanoto Sau Ian
CEO and Executive
Director
3 September 2021