USP GROUP LIMITED
(UEN N0: 200409104W)
Company Incorporated in Singapore

CHANGES TO THE AGENDA OF THE ANNUAL GENERAL MEETING OF THE COMPANY SCHEDULED TO BE HELD ON 30 SEPTEMBER 2019 ARISING, *INTER ALIA*, FROM ORIGINATING SUMMONS AND SUMMONS OF INJUNCTION ISSUED AGAINST THE COMPANY BY CONTROLLING SHAREHOLDER OF THE COMPANY

1. Introduction

1.1 The Board of Directors ("**Board**") of USP Group Limited ("**Company**") wishes to update shareholders of the Company ("**Shareholders**") of certain changes to the agenda of the upcoming Annual General Meeting of the Company scheduled to be held on 30 September 2019 ("**AGM**").

1.2 In the Notice of AGM dated 13 September 2019 (as amended by the Corrigendum and Addendum to the Annual Report 2019 dated 14 September 2019) ("**Notice of AGM**"), it was contemplated*, inter alia*, that the following resolutions will be tabled for the consideration of, and voting by Shareholders at the AGM:-

(a) Resolution 2 - to re-elect Ms Nah Ee Ling who is retiring pursuant to Regulation 89 of the Company's Constitution; and

(b) Resolution 3 - to re-elect Mr Er Kwong Wah who is retiring pursuant to Regulation 88 of the Company's Constitution.

1.3 Arising from Originating Summons and Interim Injunction Application as explained below, Resolution 2 and Resolution 3 will **NOT** be tabled for the consideration of, and voting by Shareholders at the upcoming AGM on Monday, 30 September 2019.

2. Originating Summons and Interim Injunction Application

2.1 In the Originating Summons, the Plaintiff, one Mr Oon Koon Cheng, a substantial shareholder of the Company, has sought, *inter alia,* the following orders and directions against the Company and Dr Lim Boh Soon:

(a) In relation to the Plaintiff's nomination of Mr Ong Sie Hou Raymond and Mr Yin Kum Choy for appointment as directors of the Company, under the Plaintiff's Notices to Appoint Directors dated 17 September 2019:

(i) an order that the Company makes a SGX announcement on the receipt of the same;

(ii) an order that the Company issues, posts and/or makes a SGX announcement in respect of the necessary addendum and/or other documents (including the

appropriate proxy forms) so that all members of the Company may have the opportunity to participate in, consider and vote in respect of the appointment of the aforementioned Mr Ong Sie Hou Raymond and Mr Yin Kum Choy as directors of the Company; and

(iii) an order that the Annual General Meeting of the Company scheduled for 30 September 2019 be postponed until the Company has complied with the required notice to be given to the members of the Company pursuant to Article 93 of the Constitution before the next Annual General Meeting is held ("**Prayer 1(a) (iii)**");

("**OS Prayer 1**")

(b) A declaration that the purported appointment of Dr Lim Boh Soon as the Executive Director of the Company effective from 1 October 2019, pursuant to the Company's announcement dated 17 September 2019, is in contravention of Article 88 of the Company's Constitution and is invalid;

(c) A declaration that the purported grant of award of 7,400,000 ordinary shares in the capital of the Company to Dr Lim Boh Soon, as per the announcement dated 17 September 2019, is in breach of the Rules of the Performance Share Plan which was approved by the members of the Company at an extraordinary general meeting on 27 February 2015 and is invalid; and

(d) Consequential directions be granted with regard to the lodgement of the necessary documents with ACRA and/or the rectification of the Registers to give effect to paragraphs 3.1(1) to 3.1(3) above.

2.2 In the Interim Injunction Application, the Plaintiff sought, inter alia, the following orders:

(a) OS Prayer 1;

(b) That Dr Lim Boh Soon's appointment as the Executive Director of the Company effective 1 October 2019 be held in abeyance;

(c) That the Company be restrained from allotting, issuing and/or transferring and Dr Lim Boh Soon (whether by himself and/or his agent) be restrained from receiving the 7,400,000 ordinary shares in the capital of the Company under the USP Group Performance Share plan;

(d) Alternatively, that Dr Lim Boh Soon (whether by himself and/or his agent) be restrained from exercising any rights as a member of the Company, in relation to the 7,400,000 shares of the Company that may have been issued to him, and/or be restrained from dealing with the 7,400,000 shares in any way.

2.3 The Originating Summons and Interim Injunction Application was supported by the affidavit of the Plaintiff ("**Plaintiff's Affidavit**").

3. Urgent Court Hearing of Plaintiff's Interim Injunction Application

3.1 The Interim Injunction Application was filed on Wednesday, 25 September 2019 with the hearing fixed on Thursday, 26 September 2019.

3.2 As the Company was only informed of the Originating Summons and Interim Injunction Application on 25 September 2019 at around 20:41 hours, it did not have the opportunity to file an affidavit in response to the Plaintiff's Affidavit.

3.3 However, the Company did engage legal counsel to attend the hearing on 26 September 2019 on its behalf.

4. **Court Order & Company's Interim Undertaking**

4.1 At the hearing of the Interim Injunction Application on Thursday, 26 September 2019, the High Court made the following orders:

1. The AGM of the Company can proceed on Monday, 30 September 2019, but the Company undertakes the following:

   (a) Not to re-appoint either Er Kwong Wah or Nah Ee Ling as directors of the Company pending the requisition of an EGM by the Plaintiff for the purpose, inter alia, of appointing Ong Sie Hou Raymond and Yin Kum Choy as directors to replace Er Kwong Wah or Nah Ee Ling.

   (b) Dr Lim Boh Soon's appointment as an Executive Director of the Company from whatever commencement date be held in abeyance until further Order;

   (c) Not to issue to Dr Lim Boh Soon 7,400,000 ordinary shares in the Company and if the shares have been so issued to Dr Lim Boh Soon, Dr Lim Boh Soon undertakes not to deal with these shares howsoever or exercise his rights as shareholder until further Order.

2. Costs reserved for this application.

3. No order or prayer for 1(a)(ii) but parties have liberty to apply.

4. Parties to go before Registrar next Tuesday, 1 October 2019, for further directions.

5. Company's Response to the Originating Summons

5.1 Given the shortness of time for the Company to respond to the Interim Injunction Application, it has not yet filed an affidavit to rebut the various allegations in the Plaintiff's Affidavit. The Company intends to rebut the various allegations contained in the Plaintiff's Affidavit and is presently taking legal advice in respect of the Originating Summons and Interim Injunction Application.

5.2 Pending a rebuttal of the Plaintiff's Affidavit, the Company has, in the best interest of the Company and its shareholders collectively, sought to take a holding position for the purpose

of the Interim Injunction Application so that all differences and mis-understandings can be properly ventilated and resolved amicably, and failing an amicable resolution, through the Court process.

5.3 The Company's management and board believe that they have a strong vision and programme for the Company that would be in the best interest of the Company and its shareholders collectively. The Company will do whatsoever as may be necessary to advance the interest of the Company, including vigorously defending the Plaintiff's Originating Summons if that is in the best interests of the Company and the collective good of the shareholders.

6. AGM to proceed as originally scheduled

6.1 **For the avoidance of doubt, the AGM scheduled to held on 30 September 2019 at 9.00 am at 16A Joo Koon Circle Singapore 629048 will proceed as originally scheduled** and save that:-

(a) Resolution 2 (to re-elect Ms Nah Ee Ling who is retiring pursuant to Regulation 89 of the Company's Constitution); and

(b) Resolution 3 (to re-elect Mr Er Kwong Wah who is retiring pursuant to Regulation 88 of the Company's Constitution),

as set out in the Notice of AGM will not be tabled for the consideration of, and voting by Shareholders at the AGM. the Company will continue to proceed to table all other resolutions set out under the Notice of AGM for the consideration of, and voting, by Shareholders at the AGM.

Shareholders who have submitted or may intend to submit proxies for attendance and voting of the resolutions at the AGM, including but not limited to Resolution 2 and Resolution 3, and Shareholders who intend to attend the AGM should take note of the above accordingly.

The Company will make such further announcement(s) as and when there are any further material developments in relation to the Originating Summons, the convening of the AGM or any of the other foregoing matters, as and when appropriate.

By order of the Board

For and on behalf of
USP Group Limited

28 September 2019