

USP GROUP LIMITED

(the “Company” or “Group”)

(Incorporated in Singapore)

(Company Registration No.: 200409104W)

UPDATE TO INVESTMENT IN SG SUPPORT SERVICES PTE LTD (“SGSS”)

Reference is made to the previous announcement dated 16 January 2017 (“**Previous Announcement**”). All capitalized terms not otherwise defined herein shall have the meaning ascribed to in the Previous Announcement.

Further, as announced on 15 February 2017, the Group updated that the Court of Appeal had, on 13 February 2017, ordered that the winding up order made on 13 January 2017 against SGSS be set aside and that the Group was seeking legal advice to evaluate its options. Meanwhile, the Group had made a full provision on its remaining investment in SGSS in its 3Q 2017 results.

Subsequently, USPI and the major shareholder of SGSS have reached full and final settlement of the disputes. The terms of settlement are confidential. The solicitors of the parties have filed notices of discontinuance in various actions commenced since.

However, the Group is pleased that it will be writing back S\$829,319 as part of the settlement agreement for its 4Q 2017 results.

BY ORDER OF THE BOARD

Li Hua

(Executive Chairman and Chief Executive Officer)

22 March 2017