SGXNET ANNOUNCEMENT 26 August 2026

ENTRY INTO A JOINT VENTURE AND COMMERCIAL COLLABORATION AGREEMENT WITH THE KIMERA HEALTH GROUP

AND NON-BINDING LETTER OF INTENT IN RESPECT OF A PROPOSED ACQUISITION OF UP TO 51% OF THE KIMERA HEALTH GROUP

1. INTRODUCTION

1.1. The Board of Directors (the "**Board**" or the "**Directors**") of USP Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company's indirect wholly-owned subsidiary, **Scientific & Industrial Instrumentation Pte Ltd** (UEN 197501192W) ("**SII**"), has on 26 August 2026 entered into a joint venture and commercial collaboration agreement (the "**JV Agreement**") with:

(a) **Chimera Flux (S) Pte. Ltd.** (UEN 202115579M), a company incorporated in Singapore ("**Kimera Singapore**");

(b) **Kimera Malaysia Sdn. Bhd.** (Registration No. 202101025904 (1426204-T)), a company incorporated in Malaysia ("**Kimera Malaysia**"); and

(c) **PT Kimera Flux Indonesia**, a limited liability company established under the laws of the Republic of Indonesia ("**Kimera Indonesia**"),

(Kimera Singapore, Kimera Malaysia and Kimera Indonesia collectively trading under the "Kimera Health" brand and referred to in this announcement as the "**Kimera Parties**"; and SII together with the Kimera Parties, the "**Parties**").

1.2. The JV Agreement establishes a joint venture and commercial collaboration between SII and the Kimera Parties in Singapore, Malaysia and Indonesia (the "**Territories**") for the joint marketing, distribution, registration and servicing of the Parties' respective healthcare, laboratory, instrumentation, calibration and validation product and service portfolios (the "**Joint Venture**"). SII may also make available for the Joint Venture certain products of its affiliates within the Group, including the IQAir clean air and indoor air quality products for which the Group is the appointed nationwide distributor in Singapore and Indonesia. The relevant Group company has agreed to make those products available for the Joint Venture. The Group does not hold IQAir distribution rights for Malaysia, and those products may accordingly be supplied under the JV Agreement in Singapore and Indonesia only.

1.3. Concurrently with the JV Agreement, **SII** and the Company have on 26 August 2026 entered into a **non-binding letter of intent** (the "**LOI**") with the shareholders of the Kimera Parties in respect of a proposed acquisition by SII (or another wholly-owned subsidiary of the Company nominated by it) of up to 51% of the issued share capital of one or more of the Kimera Parties, together with the corresponding rights of management control (the "**Proposed Acquisition**"). SII is the proposed acquiring entity; the Company is a party to the LOI in its capacity as parent, for limited purposes including, amongst others, announcement and disclosure obligations. Save for a limited number of provisions expressed to be binding, the LOI does not create any legally binding obligation on any party to proceed with the Proposed Acquisition. Further details are set out in paragraph 6 below.

1.4. The JV Agreement was executed at CPHI Korea 2026, COEX, Seoul, Republic of Korea. This announcement is made pursuant to Rule 703 of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") (the "**Listing Manual**").

2. INFORMATION ON SII

2.1. SII was incorporated in Singapore on 10 July 1975 and has an issued and paid-up share capital of S$794,000 comprising 794,000 ordinary shares. It is wholly owned by SuprAI Pte. Ltd. (UEN 201418176R) and is accordingly an indirect wholly-owned indirect subsidiary of the Company.

2.2. SII is one of the Group's principal operating businesses. Its activities comprise the distribution of laboratory, scientific and precision instrumentation and of gas detection and safety systems, and the provision of calibration, validation and environmental monitoring services. It will also offer, through the Joint Venture, the IQAir clean air and indoor air quality products for which the Group is the appointed nationwide distributor in Singapore and Indonesia. Its registered principal activity is the wholesale of medical, professional, scientific and precision equipment. The Parties' respective portfolios are more particularly described in the schedules to the JV Agreement.

3. INFORMATION ON THE KIMERA PARTIES

3.1. The Kimera Parties are a group of medical technology distribution companies established in 2021 and operating across Singapore, Malaysia and Indonesia under the "Kimera Health" brand. Their portfolio comprises surgical robotic systems, hip and knee replacement products, spinal and orthopaedic implants, surgical power tools and bio-materials, which are supplied to hospitals, surgical centres and specialist practices in the Territories.

3.2. Mr Henry Kwee is the Managing Director of the Kimera Parties. Details of the Kimera Parties are as follows:

Entity	Registration number	Jurisdiction
Chimera Flux (S) Pte. Ltd.	202115579M	Singapore
Kimera Malaysia Sdn. Bhd.	202101025904 (1426204-T)	Malaysia
PT Kimera Flux Indonesia	NIB 1101220038285	Indonesia

3.3 Each of the Kimera Parties holds current regulatory licences in its jurisdiction. Kimera Singapore holds a Medical Devices Importer's Licence (No. ES0501856) and a Medical Devices Wholesaler's Licence (No. MDWL260709S04) issued by the Health Sciences Authority, together with GDPMDS certification valid to 22 June 2027. Kimera Malaysia holds an Establishment Licence (No. MDA-5836-WDP124) issued by the Medical Device Authority as authorised representative, distributor and importer, valid to 29 November 2027. Kimera Indonesia holds an Izin Distributor Alat Kesehatan (No. 11012200382850001) and a Cara Distribusi Alat Kesehatan yang Baik certificate (No. 110122003828500010024) valid to 26 November 2030. Particulars of these licences are set out in the JV Agreement. Registration of individual products of SII with the relevant authority in each Territory remains to be obtained under the JV Agreement.

3.4 Save for the JV Agreement and the LOI, none of the Kimera Parties, nor Mr Henry Kwee, is related to the Company, any of the Directors, any controlling shareholder of the Company or any of their respective associates. The JV Agreement and the LOI were negotiated on an arm's length basis on normal commercial terms and do not constitute interested person transactions under Chapter 9 of the Listing Manual.

4. SALIENT TERMS OF THE JV AGREEMENT

4.1. The principal terms of the JV Agreement are summarised below. The summary is not exhaustive and is qualified in its entirety by the terms of the JV Agreement.

Term	**Summary**
Structure	An unincorporated joint venture between SII and the Kimera Parties. No new joint venture company is to be incorporated at the outset and no capital contribution is payable by any Party. The Parties may, by mutual agreement and subject to all necessary approvals, incorporate a joint venture company at a later stage.
Scope	Joint marketing, cross-selling and up-selling of the Parties' respective products and services to their combined customer bases; joint tendering; joint after-sales, calibration and validation servicing; and joint participation in exhibitions and clinical education programmes.
Regulatory access	The Kimera Parties will make available their medical device establishment licences, dealer licences and regulatory registrations in the Territories, and will act as importer of record, local regulatory representative or authorised representative for such of SII's products as the Parties agree, subject to the applicable requirements of the Health Sciences Authority of Singapore, the Medical Device Authority and Ministry of Health of Malaysia and the Ministry of Health and BPOM of the Republic of Indonesia.
Product registration	The Parties will jointly prepare, submit and maintain product registrations, listings and import approvals for SII's instrumentation, calibration and environmental monitoring products in each Territory, with costs shared as set out in the JV Agreement.
Territories	Singapore, Malaysia and Indonesia. SII may designate affiliates within the Group as participating affiliates, and may make available affiliate products, including the IQAir clean air solutions for which the Group is the appointed nationwide distributor in Singapore and Indonesia. The IQAir products may be supplied under the JV Agreement in Singapore and Indonesia only.
Commercial terms	Referral fees, distributor discounts and margin-sharing arrangements are set out in a schedule to the JV Agreement and are to be reviewed annually by the Joint Steering Committee.
Governance	A Joint Steering Committee comprising two representatives from each side, meeting at least quarterly, is responsible for the annual business plan, pricing framework, registration priorities and performance review.
Exclusivity	Category-limited and territory-limited preferred-partner arrangements apply for the agreed product categories, subject to pre-existing third-party appointments and to the consent of the Parties' respective principals.
Term	An initial term of three (3) years from 26 August 2026, continuing thereafter for successive periods of two (2) years by mutual written agreement, with customary rights of termination for material breach, insolvency and change of control.
Governing law	Singapore law, with disputes referred to arbitration administered by the Singapore International Arbitration Centre.

5. RATIONALE FOR AND BENEFITS OF THE JOINT VENTURE

5.1. The Board believes that the Joint Venture is in the interests of the Company and is consistent with the Group's stated strategy of strengthening and rebuilding its surviving operating businesses. In particular:

(a) **Access to regulated healthcare channels.** The Kimera Parties hold established relationships with hospitals, surgical centres and specialist practices in the Territories. The Joint Venture is intended to give SII's instrumentation, calibration, validation and environmental monitoring offerings, together with the Group's IQAir clean air solutions, a route into these channels which the Group does not presently have.

(b) **Regulatory pathway.** The Kimera Parties' medical device licences and registration capability are intended to shorten the time and reduce the cost required to register and list the Group's relevant products with the applicable health authorities in the Territories.

(c) **Portfolio complementarity.** The Kimera Parties supply surgical and orthopaedic technologies; SII supplies instrumentation, calibration, validation, environmental monitoring and clean air solutions required by the same operating theatres, laboratories and cleanroom environments. The portfolios are complementary rather than competing.

(d) **Regional reach without fixed cost.** The Joint Venture extends the Group's commercial reach across three markets without capital contribution, acquisition consideration or the establishment of new fixed infrastructure.

(e) **Operating evidence for resumption.** The Joint Venture supports the Group's efforts to demonstrate a viable and growing operating business in connection with its preparation of a resumption of trading proposal.

6. THE LETTER OF INTENT

6.1. Under the LOI, SII, the Company and the shareholders of the Kimera Parties have recorded their mutual intention to negotiate in good faith towards the Proposed Acquisition of up to 51% of the issued share capital of one or more of Kimera Singapore, Kimera Malaysia and Kimera Indonesia. The acquiring entity is to be SII, or another wholly-owned subsidiary of the Company nominated by it. SII is accordingly both the Group's counterparty under the JV Agreement and the proposed acquirer, aligning the commercial relationship and the equity interest in one operating company.

6.2. The LOI records that any Proposed Acquisition would be subject to, amongst other things: (a) satisfactory completion of legal, financial, tax, commercial, regulatory and operational due diligence; (b) agreement on valuation and the execution of definitive transaction documents; (c) all necessary board, shareholder, regulatory and third-party approvals, including the approvals of the boards of SII, SuprAI Pte. Ltd. and the Company and (where applicable) the approval of the SGX-ST and of the shareholders of the Company; (d) the capitalisation of SII to the level required by the applicable Malaysian and Indonesian foreign-investment thresholds; and (e) compliance with Chapter 10 of the Listing Manual and any other applicable requirements.

6.3. Save for the provisions relating to exclusivity, confidentiality, costs, announcements and governing law, the LOI is **not legally binding** and does not oblige any party to enter into or complete the Proposed Acquisition. There is no certainty or assurance that the Proposed Acquisition will proceed, or that definitive agreements will be entered into.

6.4. The Company will make further announcements in accordance with the Listing Manual as and when there are material developments in relation to the Proposed Acquisition.

7. CHAPTER 10 OF THE LISTING MANUAL AND FINANCIAL EFFECTS

7.1. The JV Agreement does not involve the acquisition or disposal of any assets by the Group, requires no capital contribution or consideration from the Group. Accordingly, the Board is of the view that the entry into the JV Agreement does not constitute a transaction to which Chapter 10 of the Listing Manual applies. The relative figures computed on the bases set out in Rule 1006 of the Listing Manual are not applicable.

7.2. The entry into the JV Agreement is not expected to have any material impact on the consolidated net tangible assets per share or the earnings per share of the Group for the financial year ending 31 March 2027.

7.3. The LOI is entered into for preliminary discussion purposes only and, save for such provisions as are expressly stated therein to be legally binding in the LOI, does not constitute a binding agreement or commitment by any party to proceed with the Proposed Acquisition. Accordingly, the LOI itself does not give rise to any transaction under Chapter 10 of the Listing Manual.

7.4 Shareholders should note that, although the proposed acquiring entity is SII, the Proposed Acquisition would be a transaction of the Group and the relative figures under Rule 1006 of the Listing Manual would be computed by reference to the Company on a consolidated basis. On the basis of the indicative value of the interests which may be acquired, the Board does not presently expect the relative figures computed on the bases set out in Rule 1006 of the Listing Manual to exceed the thresholds in Rule 1014 of the Listing Manual. Should the Proposed Acquisition proceed, the Company will compute the relative figures and determine the applicable requirements of Chapter 10 (and, if applicable, Chapter 9) of the Listing Manual at the relevant time and will make the requisite announcements and seek any requisite approvals.

8. TRADING SUSPENSION AND RESUMPTION

8.1. Shareholders and potential investors are reminded that trading in the Company's shares on the Mainboard of the SGX-ST has been suspended since 23 February 2024, and that the Company was discharged from judicial management with effect from 18 July 2026. The Company continues to work towards the submission of a resumption of trading proposal to the SGX-ST.

8.2. The entry into the JV Agreement and the LOI does not of itself constitute, and should not be construed as, an indication that trading in the Company's shares will resume, or as to the timing or terms of any such resumption.

9. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors or the controlling shareholders of the Company, or their respective associates, has any interest, direct or indirect, in the JV Agreement, the LOI or the Proposed Acquisition, other than through their respective shareholdings (if any) in the Company.

10. DOCUMENTS AVAILABLE FOR INSPECTION

A copy of the JV Agreement and the LOI is available for inspection at the registered office of the Company at 141 Cecil Street, #07-06, Tung Ann Association Building, Singapore 069541 during normal business hours for three (3) months from the date of this announcement.

11. CAUTIONARY STATEMENT

Shareholders and potential investors should note that the Joint Venture is at an early stage, that the benefits described in this announcement are expected benefits which may not be realised in whole or in part, and that the Proposed Acquisition remains subject to, amongst other things, due diligence, valuation, definitive documentation and the receipt of all necessary approvals. There is no assurance that the Joint Venture will generate any revenue or profit for the Group, or that the Proposed Acquisition will proceed to completion. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company and, if in any doubt, to consult their stockbrokers, bank managers, solicitors or other professional advisers.

Statements in this announcement that are not statements of historical fact are forward-looking statements. Such statements are based on the Board's current assumptions and expectations, involve known and unknown risks, uncertainties and other factors, and are not guarantees of future performance. Actual results may differ materially. The Company undertakes no obligation to update any forward-looking statement, save as required under the Listing Manual or applicable law.

BY ORDER OF THE BOARD
USP Group Limited

Leow Yong Kin
Chief Financial Officer and Joint Company Secretary
26 August 2026