USP GROUP LIMITED

TRANSFORMING THE FUTURE

Incorporated in the Republic of Singapore
Company Registration No. 200409104W

**SGXNET ANNOUNCEMENT** 31 August 2026

# MATERIAL VARIANCES BETWEEN THE COMPANY'S UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2023 ("FY2023")

The Board of Directors (the "**Board**") of USP Group Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to its unaudited FY2023 financial results announcement dated 13 September 2023 (the" **Unaudited Result**") and its audited financial statements (the "**Audited Financial Statements**") dated 31 August 2026.

Pursuant to Rule 704(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited, the Board wishes to announce the material variances between the Unaudited Results and Audited Financial Statements following the finalization of audit by the external auditors, as summarized below.

Unless otherwise defined, capitalized terms herein shall have the same meaning as ascribed to them in the Company's Unaudited Results dated 13 September 2023.

A. FY2023 Consolidated Statement of Comprehensive Income Extract:

| | Note | FY2023 | | | |
|---|---|---|---|---|---|
| | | **Audited S$'000** | **Unaudited S$'000** | **Variance S$'000** | **%** |
| Revenue | 1 | 34,972 | 36,773 | (1,801) | -4.9% |
| Cost of Sales | 2 | (21,439) | (22,421) | 982 | -4.4% |
| Other gains | 3 | 1,579 | 58 | 1,521 | 2622.4% |
| General & Admin | 4 | (13,343) | (14,122) | 779 | -5.5% |
| Finance Cost | 5 | (1,976) | (1,284) | (692) | 53.9% |
| Tax (expense)/credit | 6 | (460) | (109) | (351) | 322.0% |

B. FY2023 Consolidated Statement of Financial Position (Extract):

| | Note | FY2023 | | | |
|---|---|---|---|---|---|
| | | **Audited S$'000** | **Unaudited S$'000** | **Variance S$'000** | **%** |
| Trade and other receivables | 7 | 6,915 | 6,535 | 380 | 5.8% |
| Inventories | 8 | 12,511 | 12,728 | (217) | -1.7% |
| Trade and other payables | 9 | 10,021 | 7,344 | 2,677 | 36.5% |
| Lease liabilities (Current) | 12 | 334 | - | 4,654 | N.M |
| Borrowings (Current) | 10 | 31,380 | 17,589 | 13,791 | 78.4% |
| Borrowings (Non-Current) | 11 | 963 | 20,493 | (19,530) | -95.3% |
| Lease liabilities (Non-Current) | 12 | 4,654 | - | 4,654 | N.M |
| Share Capital | 13 | 50,913 | 51,172 | (259) | -0.5% |
| Other reserves | 14 | 3,842 | 4,842 | (1,000) | -20.7% |
| Accumulated losses | 15 | (32,257) | (29,874) | (2,383) | 8.0% |

C. FY2023 Consolidated Statement of Cash Flow (Extract):

| | Note | FY2023 | | | |
|---|---|---|---|---|---|
| | | **Audited S$'000** | **Unaudited S$'000** | **Variance S$'000** | **%** |
| Net cash generated from operating activities | 16 | 563 | 128 | 435 | 339.8% |
| Net cash used in investing activities | 17 | (76) | (1,211) | 1,135 | -93.7% |
| Net cash used in financing activities | 18 | (4,024) | (1,431) | (2,593) | 181.2% |

Explanatory Notes:

1. Variance relates mainly to inter-co sales not eliminated.
2. Variance relates mainly to inter-co related cost of sales not eliminated.
3. Variance relates mainly to forex gain S$0.75 million wrongly input as loss S$0.23 million.
4. Variance relates mainly to overstate of staff cost.
5. Variance relates mainly to interest expenses understated.
6. Variance relates mainly to tax expenses computation understated.
7. Variance relates mainly to reduction in impairment on other receivables of S$0.39 million not posted.
8. Variance related mainly to inventory purchasing invoice input error.
9. Variance related mainly to suppliers' bills amounting to S$1.8 million and additional provision for professional fees and staff cost S$0.8 million not posted.
10. Variance related mainly to omission of transfer from non-current liability to current liability nature.
11. Variance related mainly to omission of transfer from non-current liability to current liability nature.
12. Variance related mainly to reclassification from borrowings to lease liabilities.
13. Variance related mainly to shares cancellation not recorded.
14. Variance related mainly to currency translation difference computation errors.
15. Variance related mainly to the current year's profit previously overstated.
16. Variance related mainly to loss before tax previously overstated by S$0.9 million, interest expenses understated by S$0.6 million partially offset by understatement on movement in working capital items outflow by S$1.2 million.
17. Variance related mainly to proceed from disposal of PPE not recorded.
18. Variance related mainly to proceeds from loan and borrowings overstated by S$1.4 million while repayment of loan and interest understated by S$1.2 million.

**BY ORDER OF THE BOARD**

USP Group Limited
**Leow Yong Kin**
Chief Financial Officer and Joint Company Secretary
31 August 2026