

USP Group Limited

(Incorporated in Singapore)
(Co. Reg. No: 200409104W)

UNAUDITED QUARTERLY FINANCIAL STATEMENT ANNOUNCEMENT FOR THE PERIOD ENDED 31 DECEMBER 2020

PART I - INFORMATION REQUIRED FOR ANNOUNCEMENT OF 3rd QUARTER RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group					
	Unaudited					
	3 months ended			9 months ended		
	31/12/2020 ("Q3 FY2021")	31/12/2019 ("Q3 FY2020")	Increase/ (Decrease)	31/12/2020 ("Q3 FY2021")	31/12/2019 ("Q3 FY2020")	Increase/ (Decrease)
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Revenue	10,658	13,056	(18.4)	25,177	32,070	(21.5)
Cost of Sales	(6,923)	(9,601)	(27.9)	(16,139)	(20,722)	(22.1)
Gross Profit	3,735	3,455	8.1	9,038	11,348	(20.4)
Other gains and losses (see Note 1(a)(ii))	334	126	N.M.	524	181	N.M.
Selling and distribution expenses	(161)	(170)	(5.3)	(385)	(766)	(49.7)
General and administrative expenses (see Note 1(a)(ii))	(1,869)	(2,886)	(35.2)	(5,997)	(9,520)	(37.0)
Finance costs	(333)	(640)	(48.0)	(935)	(1,764)	(47.0)
Profit / (Loss) before tax	1,706	(115)	N.M.	2,245	(521)	N.M.
Income tax	(31)	-	N.M.	(76)	-	N.M.
Profit / (Loss) from continuing operations	1,675	(115)	N.M.	2,169	(521)	N.M.
Profit / (Loss) from discontinued operation	24		N.M.	(10)	-	N.M.
Profit / (Loss) for the period	1,699	(115)	N.M.	2,159	(521)	N.M.
Profit/(loss) for the period attributable to:						
Owners of the Company	1,696	(129)	N.M.	2,158	(547)	494.5
Non-controlling interests	3	14	N.M.	1	26	N.M.
Total comprehensive gain / loss for the period	1,699	(115)	N.M.	2,159	(521)	N.M.

1(a)(ii) Notes to Group Consolidated Statement of Comprehensive Income

Profit/(loss) from continuing / discontinuing operations from ordinary activities is stated after charging/(crediting):

	Group			
	Unaudited			
	3 months ended		9 months ended	
	31/12/2020 ("Q3 FY2021")	31/12/2019 ("Q3 FY2020")	31/12/2020 ("Q3 FY2021")	31/12/2019 ("Q3 FY2020")
	S\$'000			
Amortization of intangible	-	43	-	128
Depreciation	554	558	1,567	1,747
Penalties	2	-	10	1
Professional fees	581	148	1,442	500
Rental expenses	(16)	198	193	660
Staff costs	900	1,401	2,774	4,530

Breakdown of other income/(expenses), net

	Group			
	Unaudited			
	3 months ended		9 months ended	
	31/12/2020 ("Q3 FY2021")	31/12/2019 ("Q3 FY2020")	31/12/2020 ("Q3 FY2021")	31/12/2019 ("Q3 FY2020")
	S\$'000			
Fair value adjustments on marketable securities	(130)	-	-	-
Exchange gain/(loss), net	369	47	216	(130)
Bad debt written off	(59)	-	-	-
Gain/(loss) on disposal of property, plant and equipment	(55)	(21)	(1)	35
Interest income	65	31	95	60
Loss on disposal of IP	(149)	-	(149)	-
Loss on derivative financial instruments	(1)	-	(1)	-
Reversal of inventory written down	100	-	100	-
Write off of property, plant and equipment	(39)	-	(39)	-
Impairment of property, plant and equipment	(54)	-	(54)	-
Others	287	69	357	216
	334	126	524	181

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	Group		Company	
	S\$'000		S\$'000	
	Unaudited 31/12/2020	Audited 31/03/2020	Unaudited 31/12/2020	Audited 31/03/2020
Non-current assets				
Property, plant and equipment	19,036	18,022	104	67
Investment properties	27,663	28,000	-	-
Investments in subsidiaries	-	-	1,097	1,097
Intangible assets	459	1	-	-
Deferred tax assets	89	82	-	-
Total non-current assets	47,247	46,105	1,201	1,164
Current assets				
Cash and cash equivalents	5,261	3,795	1,230	87
Trade and other receivables	5,743	5,528	12,502	13,861
Inventories	8,888	11,336	-	-
	19,892	20,659	13,732	13,948
Assets of disposed group held for sale	7,083	11,667	-	-
Total current assets	26,975	32,326	13,732	13,948
Current liabilities				
Trade payables and other payables	2,679	4,068	3,026	2,157
Contract liabilities	136	292	-	-
Derivative financial instruments	-	14	-	-
Tax payable	137	99	-	-
Borrowings	35,056	40,098	600	1,500
	38,008	44,571	3,626	3,657
Liabilities of a disposed group held for sale	516	5,764	-	-
Total current liabilities	38,524	50,335	3,626	3,657
Net current (liabilities)/assets	(11,549)	(18,009)	10,106	10,291
Non-current liabilities				
Other payables	5,323	172	-	-
Deferred tax liabilities	1,648	1,018	-	-
Borrowings	2,126	3,215	-	-
Liabilities for post-employment benefits	-	98	-	-
Total non-current liabilities	9,097	4,503		
Net assets	26,601	23,593	11,307	11,455
Equity attributable to owners of the Company				
Share capital	51,172	51,172	51,172	51,172
Treasury shares	(99)	(99)	(99)	(99)
Other reserves	5,710	4,928	(355)	(355)
Accumulated losses	(30,266)	(32,415)	(39,411)	(39,263)
	26,517	23,586	11,307	11,455
Non-controlling interests	84	7	-	-

Total equity	26,601	23,593	11,307	11,455
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1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/12/2020		As at 31/03/2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
38,097	600	43,094	1,650

Amount repayable after one year

As at 31/12/2020		As at 31/03/2020	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
2,126	-	3,215	-

Details of any collateral

Borrowings are secured by fixed charges on properties, shares in the subsidiaries, corporate guarantees of the Company, personal guarantees given by a former director of the Group, fixed deposits pledged to the banks and in respect of certain subsidiaries, the borrowings are also secured by a debenture with floating charge over their assets, past, present and future.

Status of bank borrowings

On 16 December 2020, the Group obtained waiver from its principal banker, United Overseas Bank Limited ("UOB") on the breach of loan covenants on a one-off basis together with the revision of loan covenant to maintain a minimum consolidated tangible net worth of S\$25 million at all times. As a result, UOB has assured that it will not request for immediate repayment of the outstanding loan amounts. To-date, the Group had repaid UOB an approximate amount of S\$1.2 million. The Group has further pledged to repay a further sum of S\$4 million to UOB to reduce its outstanding loan amounts upon the completion of the proposed disposal of Biofuel.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Group			
	S\$'000			
	Unaudited			
	3 months ended		9 months ended	
	31/12/2020	31/12/2019	31/12/2020	31/12/2019
Operating activities:				
Profit / (loss) before tax from continuing operations	1,706	(115)	2,245	(521)
Profit / (loss) before tax from discontinued operations	24		(10)	
Adjustments for:				
Depreciation	554	558	1,567	1,747
Amortization of intangibles	-	43		128
Fair value (gain)/loss on marketable securities	130	-	-	-
(Gain) / loss on disposal of property, plant and equipment	55	21	1	(35)
Interest income	(65)	(31)	(95)	(60)
(Gain)/Loss on disposal of IP	149	-	149	-
Loss on derivative financial instruments	1	-	1	-
Reversal of inventory written down	100	-	100	-
Interest expenses	410	640	1,165	1,764
Write off of property, plant and equipment	39	-	39	-
Impairment of property, plant and equipment	54	-	54	-
Share-based compensation	-	-	-	4
Bad debts written off	59	-	-	-
Foreign currency translation	95	798	882	-
Operating cash flows before working capital changes	3,311	1,914	6,098	3,027
Decrease in development property	-	3,420	-	3,420
Decrease/(increase) in receivables and prepaid operating expenses	2,451	1,563	3,381	1,504
Decrease/(increase) in inventories	3,560	1,282	2,390	2,515
(Decrease)/increase in payables	(1,146)	(1,177)	(445)	(2,668)
Cash flows generated from operations	8,176	7,002	11,424	7,798
Interest income	(30)	31	-	60
Income tax refund/(paid)	200	-	105	264
Net cash flows generated from operating activities	8,346	7,033	11,529	8,122
Investing activities				
Purchase of property, plant and equipment	682	(31)	585	(263)
Subsequent expenditure on development property		-		(20)
Proceeds from disposal of property, plant and equipment	13	102	13	539
Proceeds from disposal of investment property	188	-	188	-
Interest income received	95	-	95	-
Proceeds from divestment of quoted securities	(1,036)	-	-	-
Net cash flows used in generated from investing activities	(58)	71	881	256
Financing activities:				
Net proceeds/(repayment) of loan, borrowings and trust receipts	1,250	(4,835)	1,250	(5,000)
Changes in payables, non-current	706	-	706	-
Increase in fixed deposit pledged	175	(151)	175	(151)
Interest paid, net	(365)	(640)	(1,120)	(1,764)
Changes in finance lease liabilities, net	(9,387)	56	(11,628)	(53)
Net cash flows (used in)/generated from financing activities	(7,621)	(5,570)	(10,617)	(6,968)
Net increase in cash and cash equivalents	667	1,534	1,793	1,410
Cash and cash equivalents at beginning of period	2,290	(1,195)	1,164	(1,071)
Cash and cash equivalents as per statement of financial position	2,957	339	2,957	339

- 1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

Cash and cash equivalents comprise:

	Group	
	S\$'000	
	Unaudited	Audited
	31/12/2020	31/12/2019
Cash on hand and at bank	2,752	1,281
Fixed deposits	2,509	2,711
Cash and cash equivalents as per statement of financial position	5,261	3,992
Less: Fixed deposits pledged	(2,509)	(2,711)
Less: Bank overdraft		(942)
Add: Cash from discontinued operations	205	
Cash and cash equivalents at end of period	2,957	339

- 1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital	Treasury shares	Other reserves	Accumulated profits/(losses)	Equity attributable to owners of the Company	Non-controlling interests	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 30 September 2020, as previously reported	51,172	(99)	5,994	(30,329)	26,738	2	26,740
Effect of restatement of prior year figures	-	-	(284)	(1,633)	(1,917)	79	(1,838)
Balance at 1 October 2020	51,172	(99)	5,710	(31,962)	24,821	81	24,902
Profit for the period	-	-		1,696	1,696	3	1,699
Balance at 31 December 2020	51,172	(99)	5,710	(30,266)	26,517	84	26,601
Balance at 1 October 2019	51,172	(99)	5,139	(25,709)	30,494	96	30,590
Loss for the period	-	-	-	(129)	(129)	14	(115)
Balance at 31 December 2019	51,172	(99)	5,130	(25,838)	30,365	110	30,475

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year. (Cont'd)

Company	Share capital	Treasury shares	Other reserves	Accumulated losses	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Current quarter – Q3 FY2021					
Balance at 1 October 2020	51,172	(99)	(355)	(39,419)	11,299
Profit for the period	-	-	-	8	8
Balance at 31 December 2020	51,172	(99)	(355)	(39,411)	11,307
Previous quarter – Q3 FY2020					
Balance at 1 October 2019	51,172	(99)	(355)	(33,364)	17,354
Loss for the period	-	-	-	(626)	(626)
Balance at 31 December 2019	51,172	(99)	(355)	(33,990)	16,728

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Ordinary Shares

7.4 million of performance shares were purportedly issued to a former CEO during the previous quarter ended 30 September 2019. The Company takes the view that the shares were improperly issued and/or subject to be forfeited upon the former CEO's resignation. A substantial shareholder had obtained an injunction against the former CEO from exercising his rights to these shares. The Company had also commenced legal proceedings to forfeit the shares. Both the legal actions by the substantial shareholder and the Company had been ordered by the High Court to be combined into a single action by way of a single writ for further disposition. The Company will make the necessary announcements and updates in due course. Recently, the Company was informed by a law firm that it had, pursuant to certain court proceedings commenced by another substantial shareholder that it had obtained an undertaking from the former CEO's counsel that he will not exercise his rights over the shares and will not dispose of the shares.

Performance Shares

Except for the 7.4 million shares referred to above, there were no performance shares granted as at 31 December 2020 (31 December 2019: Ni).

Treasury Shares

As of 31 December 2020, the Company has 634,600 treasury shares (31 December 2019: 636,400) as of the end of the reported period.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

	31/12/2020	31/03/2019
Total number of issued ordinary shares excluding treasury shares	90,287,403*	90,287,403

* This exclude the 7.4m number of shares issued to Dr Lim Boh Soon. See note 1(d)(ii) above.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

There has been no movement in the Company's treasury shares during the period.

1(d)(v) A statement showing all sales, transfers, disposal, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

These figures have neither been audited nor reviewed by the Company's auditors.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:—

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed

Yes to both (a) and (b), refer to SGX announcement on 22 Jan 2021 on 6.45 pm

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Yes.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Changes in the accounting policies have been taken into account as at 31 March 2020.

6. Profits/ (losses) per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group	
	31/12/2020	31/12/2019
Losses per ordinary share from the group, after deducting any provision for preference dividends (in SGD cents):		
Based on weighted average number of ordinary shares on issue; and		
- continuing operations	2.4	(0.61)
- discontinuing operations	0.001	-
Weighted average number of ordinary shares for basic profits/ (losses) per share computation	90,287,403	90,287,403
On a fully diluted basis and continuing operations	2.4	(0.61)
On a fully diluted basis and discontinuing operations	0.001	-
Weighted average number of ordinary shares adjusted for the effect for dilution	90,287,403	90,287,403

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

(a) current financial period reported on; and

(b) immediately preceding financial year.

	Group		Company	
	31/12/2020	31/03/2020	31/12/2020	31/03/2020
Net asset value per ordinary share based on issued share capital at the end of the respective periods (in SGD cents):	29.46	26.13	12.52	12.69
No. of ordinary shares used in computing net asset value	90,287,403	90,287,403	90,287,403	90,287,403

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:**
- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
 - (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

REVIEW OF PERFORMANCE (Q3 FY2021 VS Q3 FY2020)

Revenue

Overall revenue for 3Q2021 when compared with 3Q2020 decrease by 18% or about S\$2.4m. The decline was mainly attributable to the impact of Covid-19 which has devastating effects on industries across the board. Revenue for equipment declined by S\$3.3 million offset by increase in marine division of S\$1.7 million. The remaining S\$0.8 million was due to general decline in other segments.

The business sentiments in Malaysia and Indonesia continue to improve and the combined marine division revenue in these countries register an increase of S\$1.9 m in this current quarter offset by declines in other business sectors.

Overall gross margin increased to 35% in Q32021 from 26% in Q32020. This was mainly due careful cost control and streamlining by management via salary cut and other measures.

Other income / (expenses), net

In Q32021, the Group recorded a gain of S\$334,000 mainly due to S\$369,000 exchange gain.

Selling and Distribution

Selling and distribution expenses remained consistent in 3Q2021 and 3Q2020.

General and Administrative

This Q32021 saw a decline of S\$ 1 million as compared to Q32020 due primarily to salary cut, rental rebates over Covid-19 period and effective cost cutting measures implemented by management.

Finance Costs

The decrease in finance costs from S\$ 640,000 in Q32020 to S\$333,000 in Q32021 was due to loan repayment of approximately S\$1.2 million back to principal banker.

Profit After Tax

The Group recorded a profit of S\$1.7 million in Q32021 as compared to a loss of S\$115,000 in Q32020. Despite lower sale recorded for the marine division, the profit was achieved primarily on the back of significant costs savings in general and administration and finance expenses as well as reversal of fair value gain of S\$907,000 recognised in FY2021 for Huan Hsin Holdings Limited shares.

REVIEW OF FINANCIAL POSITION AND CASH FLOW STATEMENT

Fixed Assets

The increase in the fixed assets of Property, Plant and Equipment was mainly due to purchases offset by disposal in Property, Plant and Equipment during the year.

Current Assets

Current Assets declined by S\$11.8 million due to lower inventory held by the Group as a result of lower sales and stock-out.

Current Liabilities

The decline in current liabilities of about S\$ 11.8m is primarily due to repayment of bank loans during FY2021.

Cash Flow

For the 9 months ended 31/12/2020, the Group generated cash of about S\$ 3 million and reduced bank overdraft by about S\$665,000, adding about S\$2.6 million increase to its cash balance and SGD0.2m decrease in the fixed deposit amount.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

Distributorship

Based on the momentum for past 3 quarters of 2021, our marine business will continue to be our revenue driver for the remaining quarter.

Recycling of waste oil

The recycling business is expected to improve going into Q4 2021 with expected increases in volume of product process and better selling prices.

Property Investments

The property investments in Koon Cheng Development Pte Ltd continues to exhibit good occupancy and good cashflow.

Impact of the novel corona virus

Despite the global Covid-19 pandemic, the Group has produced profitable results for Q1, Q2 and Q3, stemming the losses suffered by the Group of approximately S\$6.7 million for FY2020 and S\$22 million for FY2019. Q3FY2021 produced a profit of S\$ 1.7 million.

The Group believes that the positive results were due to the Board's careful streamlining and calibration of the Group's operations and businesses, which included the implementation of cost cutting measures and pay cut across the Group.

1. High Court Suit No. S115/2020 ("S115")
On 25 September 2019, Mr Oon Koon Cheng ("Mr Oon") commenced Originating Summons no. OS1192/2019 ("OS1192") against the Company and Dr Lim Boh Soon ("Dr Lim"). All the issues in OS1192 had been dealt with save for one issue, i.e. a declaration that the grant of award of 7.4 million shares ("the 7.4 million shares") to Dr Lim is in breach of the Rules of the Performance Share Place and is thus invalid. OS1192 was ordered by the Court to consolidate with Originating Summons No. OS1408/2019 ("OS1408") in one single writ action on 28 November 2019. However, OS1192 was subsequently converted into a writ action in S115/2020 ("S115") on 28 November 2019. S115 has been fixed for court hearings on 19 January 2021 at 2:30pm and 9 February 2021 at 2:30pm
2. High Court Suit No. S116/2020 ("S116")
On 11 November 2019, the Company commenced Originating Summons No. OS1408/2019 ("OS1408") against Dr Lim Boh Soon ("Dr Lim"). OS1408 was brought by the Company pursuant to a letter of employment dated 16 September 2019 for a declaration that the issuance of 7.4 million shares to Dr Lim be forfeited. OS1408 was ordered by the Court to consolidate with Originating Summons No. OS1192/2019 ("OS1192") in one single writ action on 28 November 2019. However, OS1408 was subsequently converted into a writ action in S116/2020 ("S116") on 28 November 2019. A court hearing has been fixed on 9 February 2021 at 2:30pm.
3. High Court Suit No. S328/2020 ("S328")
On 7 April 2020, the Company, together with its subsidiaries (collectively referred to as "the Group"), commenced High Court Suit No. S328/2020 ("S328") against M/s Sin Hong Hwa Pte Ltd, Mr Oon Koon Cheng and Mr Li Hua (collectively referred to as "the Defendants"). The action was brought by the Group pursuant to a sale and purchase agreement of Koon Cheng Development Pte Ltd dated 18 December 2015 ("SPA") against the Defendants for fraudulent misrepresentations, failure to perform conditions precedent of SPA, and unlawful means conspiracy. The Group sought the following relief against the Defendants: (1) the sum of S\$13,677,600; (2) alternatively, damages to be assessed; (3) alternatively, damages for misrepresentation; (4) costs; (5) interest; and (6) such further or other orders as the Court deems fit. S328 has been fixed for court hearings on 9 February 2021 at 2:30pm and 18 February 2021 at 2:30pm respectively.

4. District Court Suit No. DC1363/2020 (“DC1363”)
On 9 June 2020, the Company, together with its subsidiary (collectively referred to as “the Group”), commenced District Court Suit No. DC1363/2020 (“DC1363”) against Mr Yin Kum Choy (“Mr Yin”) and Mr Oon Koon Cheng (“Mr Oon”) (collectively referred to as “the Defendants”). The action was brought by the Group against (1) Mr Yin for breach of fiduciary duties and common law/statutory duty of skill and care; (2) Mr Oon for dishonest assistance / knowing assistance; and (3) the Defendants for unlawful means conspiracy. The following reliefs were sought by the Group against the Defendants: (1) an order that Mr Yin has breached his duties to the Group; (2) an aggregate sum of \$130,226.51; (3) legal costs incurred by the Group in relation to OS317 and CWU108; (4) alternatively, damages to be assessed; (5) such other sum as the Court thinks fit; (6) costs; (7) interest; and (8) such further or other orders which the Court deems just and fit. A court hearing has been fixed for DC1363 on 10 March 2021 at 2:30pm.
5. High Court Suit No. S612/2020 (“S612”)
On 8 July 2020, Mr Oon Koon Cheng (“Mr Oon”) commenced High Court Suit No. S612/2020 (“S612”) against the Company, Mr Tanoto Sau Ian (“Mr Tanoto”) and Mr Li Hua (“Mr Li”). This action was brought by Mr Oon against the Defendant for conspiracy with the intention to injure Mr Oon’s interests. The reliefs sought by Mr Oon are (1) injunctive relief against the Defendants; (2) damages; (3) costs; (4) interests; and (5) such further orders which the Court deems fit and/or just. Mr Oon has obtained an injunction order against the Company on 9 July 2020 against the Company, Mr Tanoto and Mr Li (“the injunction”). S612 has been fixed for court hearings on 15 January 2021 at 2:30pm (to set aside the injunction) and 9 February 2021 at 2:30pm respectively.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No dividend has been declared.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

No dividend has been declared or recommended for the financial period ended 31 December 2020.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions (“IPT”), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have any IPT mandate.

14. Confirmation that the Issuer has procured undertakings from all its Directors and Executive Officers (In the format set out in Appendix 7.7) under Rule 720(1).

The Company has received undertakings from all its directors and executive officers in the format as set out in Appendix 7.7 under Rule 720(1) of the Listing Manual of the SGX-ST.

15. Negative Assurance Confirmation

We confirm that to the best of our knowledge, nothing has come to the attention of the Board of Directors of USP Group Limited which may render these interim financial results for the quarter ended 31 December 2020 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Tanoto Sau Ian
CEO and Executive Director
3 February 2021