USP GROUP LIMITED
(Incorporated in Singapore)
(Company Registration No.: 200409104W)

RECEIPT OF STATUTORY DEMAND

The Board of Directors[1] (the "**Board**") of USP Group Limited (the "**Company**") refers to the announcement dated 12 December 2019 in relation to the loan the Company had previously obtained from its controlling shareholder Mr Oon Koon Cheng ("**Mr Oon**"), being for a sum of S$1,500,000 at an interest of 4% per annum for a loan period of six (6) months.

The Company wishes to inform the shareholders that the Company had on 25 February 2020 been served with a statutory demand under Section 254(2)(a) of the Companies Act (Cap. 50) ("**Companies Act**") dated 25 February 2020 ("**Statutory Demand**") by Dentons Rodyk & Davidson, LLP, solicitors acting for Mr Oon.

The Statutory Demand is for payment of the sum of $1,500,000.00 ("**Outstanding Sum**") in relation to a loan agreement entered into between the Company and Mr Oon on or around 7 December 2019.

The Statutory Demand states that if the Company fails to pay or secure or compound for the Outstanding Sum to the satisfaction of Mr Oon within 21 days from the date of service of the Statutory Demand to the Company, the Company shall be deemed to be unable to pay the Outstanding Sum and Mr Oon shall be entitled to forthwith present a winding up application for a winding up order to be made against the Company without further reference.

The Company will be seeking legal advice from its solicitors and will keep shareholders updated and informed as and when there are material developments on the aforesaid matter.

Shareholders and potential investors are advised to exercise caution in trading their shares

By Order of the Board

Tanoto Sau Ian
Executive Director and Chief Executive Officer
26 February 2020

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[1] The Company wishes to clarify that Mr Yin Kum Choy had abstained from the review and approval of this announcement dated 26 February 2020