USP GROUP LIMITED
(Under Judicial Management)

(Company Registration No.: 200409104W)
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9 October 2024

Our Ref: TWC/JL/CK/RC/NSE/SBY

TO THE CREDITORS AS ADDRESSED ***By Post & Email***

Dear Sir/Madam

USP Group Limited (Under Judicial Management) (the "Company")
Suit No. HC/OA 1024/2024 & HC/SUM 2875/2024

We refer to our letter dated 12 September 2024 in respect of the resolutions passed at the first creditors' meeting held on 6 September 2024.

We write to provide an update that Mr Tay Lak Khoon ("**Mr Tay**") has brought applications against the Judicial Managers and the Company in HC/OA 1024/2024 and HC/SUM 2875/2024 in the General Division of the High Court of the Republic of Singapore ("**High Court**").

Copies of the applications and the affidavit filed in support of the applications can be found in the download link below:

USP Group Limited (Under Judicial Management) - Court Papers

**An automated email containing the link above will also be sent to your email.*

HC/OA 1024/2024

As can be seen from the court papers, Mr Tay is applying in HC/OA 1024/2024 for the following orders:

1. That all votes cast by the following parties (collectively the "**Entities**") at the creditors' meeting held on 6 September 2024 (the "**Creditors' Meeting**") summoned under Section 107(1) of the Insolvency, Restructuring and Dissolution Act 2018 (the "**Act**") be wholly disregarded: -

    a. Biofuel Research Pte. Ltd.
    b. Koon Cheng Development Pte. Ltd.
    c. Scientific & Industrial Instrumentation Pte Ltd
    d. Supratechnic Pte Ltd
    e. Theme A Investment Holdings Pte. Ltd.
    f. Hinterland Group Pte. Ltd.

2. A declaration that Resolution 1 of the Creditors' Meeting was not validly passed.

The affairs, business and property of the Company are being managed by the Joint and Several Judicial Managers. The Joint and Several Judicial Managers contract and act only as the agents of the Company and disclaim any personal liability.

3. A declaration that the Judicial Managers, as joint and several judicial managers of the Company, have acted in a manner that is unfairly prejudicial to the interests of the Company's creditors by counting the votes cast by the Entities at the Creditors' Meeting.

4. That the Judicial Managers be removed as the Company's joint and several judicial managers pursuant to Section 104(1) of the Act.

5. That Mr Cameron Lindsay Duncan and Mr David Dong-Won Kim of KordaMentha Pte. Ltd. be appointed as joint and several judicial managers of the Company in place of the Judicial Managers, pursuant to Section 104(5) of the Act.

6. Costs of the application are to be paid to Mr Tay out of the Company's assets as costs of the judicial management.

The Judicial Managers disagree with the orders sought in HC/OA 1024/2024 and will inform the High Court of its position at the appropriate juncture.

Presently, the following timelines apply for HC/OA 1024/2024

1. The Judicial Managers are to file and serve their reply affidavit (if any) by 25 October 2024, as provided under Order 6 rule 12 of the Rules of Court 2021.

2. A case conference has been fixed for 7 November 2024, 2.30 pm.

The Judicial Managers intend to request for the timelines in HC/OA 1024/2024 to be brought forward as it would be in the interests of the Company and its stakeholders that HC/OA 1024/2024 is disposed of sooner rather than later.

HC/SUM 2875/2024

In relation to HC/SUM 2875/2024, Mr Tay is applying to the High Court for the following orders:

1. Pending the determination of HC/OA 1024/2024 and any appeals therefrom, the Judicial Managers shall be restrained from proceeding with and/or taking any steps to carry out the matters set out at pages 13 and 14 of the Judicial Managers' Statement of Proposals dated 6 September 2024 as annexed to HC/SUM 2875/2024 (the "**Statement of Proposals**").

2. The costs of this application shall be paid to Mr Tay out of the Company's assets as costs of the judicial management of the Company.

In this respect, in the interests of saving time and costs and without admission or acceptance of any of the allegations made against the Judicial Managers, and so as to facilitate an expeditious conduct of the matter in the interest of the Company and its stakeholders, the Judicial Managers have on 8 October 2024 provided the undertaking that they shall not, for the period up to the disposal of HC/OA 1024/2024 or otherwise as ordered by the High Court, carry out the restructuring plan set out at pages 13 and 14 of the Statement of Proposals, save for the avoidance of doubt that the Judicial Managers shall be at liberty to communicate on (but not enter into any further agreement(s) on behalf of the Company) matters relating to the Company with any third party including but not limited to Mr Melvin Tan Wei Yang, Hinterland Group Pte. Ltd. and United Overseas Bank Limited.

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The Judicial Managers have been advised that Mr Tay would be well advised to seek to discontinue HC/SUM 2875/2024 ("**SUM 2875**") in view of the undertaking provided. However, if he does not, and in the event that the matter proceeds, the following timelines would apply:

1. That the Judicial Managers' reply affidavit to SUM 2875 if any is be filed and served by 11 October 2024, 4.00 pm.

2. That written submissions for SUM 2875 are to be filed by 16 October 2024.

3. If parties can reach agreement on the undertaking such that an interim injunction is not needed, parties are to write in to court by 16 October 2024**.**

The High Court has not fixed a hearing date for SUM 2875.

In the meantime, should you require further information or clarification on this matter, please contact Ng Siok Eng (seng@deloitte.com) or Shin Bo Yee (boshin@deloitte.com) at +65 6800 1999 or +65 6800 2512 respectively. Do also feel free to let us know if you have any views on the court applications in HC/OA 1024/2024 and HC/SUM 2875/2024.

Thank you. All of the Judicial Managers and the Company's rights are reserved.

Yours faithfully
For and on behalf of
USP Group Limited
(Under Judicial Management)



Tan Wei Cheong
Joint and Several Judicial Manager

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