

Company registration number - 200409104W

(Incorporated in Singapore)

Condensed Interim Financial Statements

For the six months ended 30 September 2026

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

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USP Group Limited
(Incorporated in Singapore)
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CONDENSED INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE HALF YEAR ENDED 30 SEPTEMBER 2026

	Note	Group Six Months Ended		Change %
		30 September 2026	30 September 2025	
		S$'000	S$'000	
Revenue	3	3,368	2,151	56.6
Cost of sales		(2,373)	(1,359)	74.6
Gross profit		995	792	25.6
Other income, net	4	4,723	35	NM
Selling and distribution expenses		(58)	(141)	(58.9)
General and administrative expenses		(2,690)	(2,180)	23.4
Finance costs		(82)	(26)	215.4
Profit/(loss) before tax from continuing operations	4	2,888	(1,520)	NM
Income tax		(347)	(385)	(9.9)
Profit/(loss) after income tax from continuing operations		2,541	(1,905)	NM
Profit/(loss) for the period attributable to:				
Owners of the Company		2,541	(1,882)	NM
Non-controlling interests		-	(23)	NM
		2,541	(1,905)	NM
Other comprehensive income/(loss):				
Items that may be reclassified subsequently to profit or loss:				
Currency translation differences arising on consolidation		-	653	67.1
Total comprehensive income/(loss) for the period		2,541	(1,252)	NM
Total comprehensive income/(loss) attributable to:				
Owners of the Company		2,541	(1,229)	NM
Non-controlling interests		-	(23)	NM
		2,541	(1,252)	NM
Earnings/(loss) per share attributable to owners of the Company (cents):				
Basic and diluted	16	2.81	(2.08)	NM

"NM" – Not meaningful

USP Group Limited
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CONDENSED INTERIM STATEMENTS OF FINANCIAL POSITION (GROUP AND COMPANY) AS AT 30 SEPTEMBER 2026

	Note	Group		Company	
		S$'000		S$'000	
		Unaudited	Audited	Unaudited	Audited
		30 Sept 2026	31 March 2026	30 Sept 2026	31 March 2026
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Property, plant and equipment	**5**	976	4,381	-	-
Investments in subsidiaries		-	-	-	-
Intangible assets	**11**	22	23	-	-
Deferred tax assets		-	41	-	-
Total non-current assets		998	**4,445**	-	**-**
Current assets					
Cash and bank balances	**6**	6,027	5,040	-	3,096
Trade and other receivables	**7**	1,528	1,019	146	276
Inventories	**8**	1,479	1,976	-	-
Total current assets		9,034	**8,035**	146	**3,372**
Total assets		10,032	**12,480**	146	**3,372**
Current liabilities					
Trade and other payables		3,591	7,511	4,592	8,836
Borrowings	**12**	3,046	1,776	834	834
Lease liabilities		285	229	-	-
Tax payable		279	150	282	282
Convertible loan	**9**	2,719	2,719	2,719	2,719
Total current liabilities		9,920	**12,385**	8,427	**12,671**
Non-current liabilities					
Deferred tax liabilities		-	-	-	-
Borrowings	**12**	-	2,402	-	-
Lease liabilities		146	268	-	-
Provisions		-	-	-	**-**
Total non-current liabilities		146	**2,670**	-	-
Total liabilities		10,066	**15,055**	8,427	**12,671**
Equity attributable to owners of the Company					
Share capital	**13**	50,913	50,913	50,913	50,913
Treasury shares	**14**	(99)	(99)	(99)	(99)
Other reserves	**10**	4,692	4,692	(355)	(355)
Equity component of convertible loan		390	390	390	390
Accumulated losses		(55,896)	(58,471)	(59,130)	(60,148)
Total equity attributable to owners of the Company		**(34)**	**(2,575)**	**(8,281)**	**(9,299)**
Non-controlling interests		-	-	-	-
Total equity	**15**	(34)	**(2,575)**	(8,281)	**(9,299)**
Total equity and liabilities		10,032	**12,480**	146	**3,372**

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CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2026

	Group	
	Six Months Ended	
	30/09/2026	30/09/2025
	S$'000	S$'000
Profit/(Loss) before income tax	**2,888**	**(1,520)**
Adjustments for:		
Depreciation of property, plant and equipment	85	61
Inventories written off	-	341
Gain on disposal of property, plant and equipment	(2,593)	-
Amortisation of intangible assets	1	-
Interest income	-	(12)
Interest expense	82	26
Bad debts written off	-	35
Unrealised exchange (gain)/losses	12	693
Operating cash flows before working capital changes	**475**	**(376)**
(Increase)/decrease in trade and other receivables	(509)	2,877
Decrease in inventories	497	184
Decrease in trade and other payables	(3,920)	(774)
Cash flows (used in)/generated from operations	**(3,457)**	**1,911**
Income tax (paid)/refunded, net	(177)	181
Net cash flows (used in)/generated from operating activities	**(3,634)**	**2,092**
Investing activities:		
Purchase of property, plant and equipment	(171)	(360)
Proceeds from disposal of property, plant and equipment	6,079	-
Withdrawal of pledged fixed deposits	-	1,698
Increase in restricted cash	(481)	-
Net cash outflow on liquidation of a subsidiary	(7)	-
Interest received	-	12
Net cash flows generated from investing activities	**5,420**	**1,350**
Financing activities:		
Net repayment of borrowings	(1,050)	(52)
Repayment of lease liabilities	(66)	(42)
Interest paid	(82)	(26)
Net cash flows used in financing activities	**(1,198)**	**(120)**
Net increase in cash and cash equivalents	588	3,322
Cash and cash equivalents at beginning of period	679	988
Cash and cash equivalents at end of period (Note (a))	**1,267**	**4,310**
Note (a)		
Cash on hand and at bank	4,748	4,391
Fixed deposits	1,279	1,265
Cash and bank balances as per statement of financial position	**6,027**	**5,656**
Less: Fixed deposits pledged	(1,279)	(1,265)
Less: Bank overdraft	-	(81)
Less: Restricted cash	(3,481)	-
Cash and cash equivalents at end of period	**1,267**	**4,310**

USP Group Limited
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CONDENSED INTERIM STATEMENTS OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED 30 SEPTEMBER 2026

Group	Share capital	Treasury shares	Other reserves	Equity component of convertible loan	Accumulated 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$'000	S$'000
Balance at 1 April 2026	**50,913**	**(99)**	**4,692**	**390**	**(58,471)**	**(2,575)**	**-**	**(2,575)**
Profit for the period	-	-	-	-	2,541	2,541	-	(2,541)
Other comprehensive income/(loss) for the period	-	-		-	-	-	-	
Balance at 30 September 2026	**50,913**	**(99)**	**4,692**	**390**	**(55,930)**	**(34)**	**-**	**(34)**
Balance at 1 April 2025	**50,913**	**(99)**	**5,390**	**-**	**(53,505)**	**2,699**	**(20)**	**2,679**
Loss for the period	-	-	-	-	(1,882)	(1,882)	(23)	(1,905)
Other comprehensive income for the period	-	-	653	-	-	653	-	653
Balance at 30 September 2025	**50,913**	**(99)**	**6,043**	**-**	**(55,387)**	**1,470**	**(43)**	**1,427**

Company	Share capital	Treasury shares	Other reserves	Equity component of convertible loan	Accumulated losses	Total equity
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Current period – 1H FY2027						
Balance at 1 April 2026	**50,913**	**(99)**	**(355)**	**390**	**(60,148)**	**(9,299)**
(Loss)/profit for the period	-	-	-	-	1,018	1,018
Balance at 30 September 2026	**50,913**	**(99)**	**(355)**	**390**	**(59,130)**	**(8,281)**
Previous period – 1H FY2026						
Balance at 1 April 2025	**50,913**	**(99)**	**(355)**	**-**	**(59,152)**	**(8,693)**
Loss for the period	-	-	-	-	(374)	(374)
Balance at 30 September 2025	**50,913**	**(99)**	**(355)**	**-**	**(59,526)**	**(9,067)**

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate information

The Company (Co. Reg. No: 200409104W) is incorporated and domiciled in Singapore. The address of its registered office and principal place of business is at 141 Cecil Street, #07-06, Tung Ann Association Building, Singapore 069541.

These condensed interim consolidated financial statements as at and for the six months ended 30 September 2026 comprise the Company and its subsidiaries (collectively, the "Group"). The principal activity of the Company is that of investment holding. The principal activities of its subsidiaries are the trading and servicing of outboard motors, marine equipment and accessories, and the trading and calibration of scientific and industrial instruments and air purification products.

2. Basis of Preparation

The condensed interim financial statements for the six months ended 30 September 2026 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the financial year ended 31 March 2026.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements of the Group and the Company are presented in Singapore Dollar ("SGD"), which is the Company's functional currency. All financial information presented in SGD has been rounded to the nearest thousand (S$'000), unless otherwise stated.

2.1 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

2.2 Critical Accounting Judgments and Estimates

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2026.

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. Management is of the opinion that there are no critical judgements other than those disclosed in FY2026 audited financial statements.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

3. **Segment and revenue information**

The Group is organised into the following reportable operating segments: (a) marine distributors and dealerships – trading of marine equipment and related products; (b) calibration of environmental equipment – trading and servicing of scientific and industrial instruments and air purification products; (c) property investment; and (d) others – investment holding. Segment information provided to the chief operating decision maker is as follows:

	Revenue	
	1H FY2027	**1H FY2026**
	S$'000	S$'000
Marine distributors and dealerships	1,309	1,542
Calibration of environmental equipment	2,059	609
Property investment	-	-
Others	-	-
Total	**3,368**	**2,151**

Disaggregation of revenue

	Group	
	H1 2027	H1 2026
	$'000	$'000
Sales of marine equipment and accessories	1,294	1,510
Sales and services of scientific and precision equipment	2,059	609
Rendering of marine equipment related services	15	32
	3,368	2,151
Timing of revenue recognition		
At point in time	3,368	2,151
	3,368	2,151
Primary geographical markets		
Malaysia	1,309	1,204
Singapore	1,747	714
Others	312	233
	3,368	2,151

The Group applies the practical expedient in SFRS(I) 15 and does not disclose information about its remaining performance obligation if:

- The performance obligation is part of a contract that has an original expected duration of one year or less; or
- The Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, and it recognises revenue in that amount.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

4. **Profit/(loss) before taxation**

The following items have been included in arriving at profit/(loss) before tax:

	Group	
	H1 2027	H1 2026
	$'000	$'000
Depreciation of property, plant and equipment	**85**	61
Professional fees	**1,312**	803
Rental expenses	**83**	121
Staff costs	**900**	826
Directors' compensation	**82**	109
Amortisation of intangible assets	**1**	-
Gain on disposal of property, plant and equipment, net	**(2,593)**	-
Property tax	**350**	-
Inventories written off	**-**	341
Bad debts written off	**-**	35
Foreign exchange (gain)/loss, net	**12**	14
Interest income	**-**	(12)

5. **Property, plant and equipment**

On 24 June 2026, the Company's subsidiary, Supratechnic Properties Sdn Bhd, entered into a sale and purchase agreement to dispose of its property at No. 2 Jalan Tiang U8/91, Bukit Jelutong Industrial Park, Shah Alam, Selangor, Malaysia for a consideration of RM20,000,000 (approximately S$6,396,000). The disposal was completed on 29 September 2026 and a gain on disposal of S$2,802,000 was recognised in profit or loss for the six months ended 30 September 2026. During the period, a subsidiary also disposed of plant and equipment with a loss on disposal of S$209,000.

6. **Cash and bank balances**

Cash and cash equivalents in the consolidated statement of cash flows comprised the following:

	Group	
	H1 2027	2026
	$'000	$'000
Cash at bank and in hand and short-term term deposits	**6,027**	5,040
Less: Bank overdrafts	**-**	(82)
Less: Restricted cash-pledged bank deposits	**(1,279)**	(1,279)
Less: Restricted cash	**(3,481)**	(3,000)
Cash and cash equivalents	**1,267**	679

As at 30 September 2026, restricted cash of $3,481,000 relates to the remaining proceeds from the sale of property by Supratechnic Properties Sdn. Bhd. These proceeds are held in lawyers' escrow accounts and will be released after the transfer of title under the deed is completed.

As at 31 March 2026, restricted cash of $3,000,000 represented monies held in an escrow account maintained by the Judicial Managers, set aside for distribution to creditors under the Scheme of Arrangement. The Group did not have access to or control over the use of these funds. These monies were released to scheme creditors during the period.

7. Trade and other receivable

	Group		Company	
	H1 2027	2026	**H1 2027**	2026
	$'000	$'000	**$'000**	$'000
Current				
Trade receivables - third parties	**1,222**	925	**-**	-
Less: Allowance for impairment	**(606)**	(693)	**-**	-
	616	232	**-**	-
Other receivables:				
- Third parties	**194**	187	**41**	41
- Subsidiaries	-	-	**-**	14,100
- Allowance for impairment	**-**	(56)	**-**	(14,100)
	194	131	**41**	41
Deposits	**254**	347	**105**	235
Prepayments	**66**	39	**-**	-
Tax recoverable	**398**	270	**-**	-
	718	656	**105**	235
Total	**1,528**	1,019	**146**	276

The amounts due from subsidiaries are non-trade in nature, unsecured, interest-free and repayable on demand.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

8. **Inventories**

	Group	
	H1 2027	2026
	$'000	$'000
Finished goods	**1,479**	1,946
Goods in transit	**-**	30
	1,479	1,976
The following amounts are recognised in profit or loss:		
Inventories recognised as an expense in cost of sales	**1,359**	2,589

9. Convertible loan

On 19 September 2025, the Company entered into a conditional loan facility agreement with Ascendro Group Limited for a non-interest-bearing loan of $3,000,000 to finance the Group's restructuring exercise and settlement of outstanding creditors.

Under the agreement, the loan shall be capitalised into 270,862,209 new ordinary shares of the Company, representing approximately 75% of the enlarged issued share capital, subject to the requisite regulatory and shareholders' approvals. The agreement also requires the Company to repay the outstanding loan in cash upon the occurrence of certain termination events, including where the requisite approvals are not obtained.

The convertible loan was assessed to comprise both liability and equity components. Upon initial recognition, the liability component was measured at fair value, with the residual amount recognised as a separate component of equity. The liability component is subsequently measured at amortised cost using the effective interest method at an effective interest rate of 10.05% per annum.

On 14 August 2026, the Company announced that the proposed capitalisation would involve the issuance of 270,862,209 new ordinary shares to Ascendro Group Limited, representing approximately 75% of the enlarged issued share capital. The proposed transaction remains subject to the requisite shareholders' and regulatory approvals.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

10. **Other reserves**

a) Foreign currency translation reserve

The foreign currency translation reserve comprises exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies differ from the Group's presentation currency. The reserve reflects cumulative foreign exchange gains and losses recognised in other comprehensive income and is reclassified to profit or loss upon disposal of the relevant foreign operation.

b) Gain or loss on reissuance of treasury shares

The gain or loss on reissuance of treasury shares represents the cumulative difference arising from the purchase, sale, reissuance, transfer or cancellation of treasury shares. In accordance with the relevant statutory and regulatory requirements, the reserve is not available for dividend distribution and may not be distributed, whether in cash or otherwise, to shareholders of the Company.

c) Capital reserve pertains to the followings:

- Revaluation surplus arising from the freehold land and building in May 2011, being transferred to capital reserve for the purpose of issuing bonus shares; and
- The premium received from non-controlling interest for acquisition of a portion of non-controlling interest in subsidiaries, Supratechnic (M) Sdn. Bhd and Scientific & Industrial Instrumentation Pte Ltd on 1 March 2019 amounting to $2,884,000.

d) Other - equity consideration

The other reserve represents equity consideration paid or payable to the vendors in connection with the acquisition of Supratechnic Pte. Ltd. during the financial year ended 31 March 2016. The reserve reflects the equity component of the acquisition consideration recognised in accordance with the terms of the acquisition agreement.

Movements in the above other reserves are disclosed in the statements of changes in equity.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

11. Intangible assets

Intangible assets of the Group comprise a trademark acquired by a subsidiary, Supratechnic (M) Sdn Bhd, for the purpose of protecting its brand in relation to products, goods and services in Malaysia, Singapore and Indonesia. The trademark is stated at cost less accumulated amortisation and is amortised on a straight-line basis over its estimated useful life of 10 years. The carrying amount of the trademark was S$23,000 as at 31 March 2026.

12. Borrowings

a) Secured liabilities

Bank loans

Loan I is secured by certain properties owned by Supratechnic (M) Sdn Bhd and a third party, fixed deposits held by the subsidiary, and a corporate guarantee provided by Supratechnic Pte Ltd. The loan bears a floating interest rate ranging from 1% to 1.25% (2026: 1% to 1.25%) per annum above the bank's prevailing base lending rate, with applicable interest rates ranging from 4.85% to 6.85% (2026: 4.85% to 6.85%) per annum. The loan is denominated in Malaysian Ringgit and is repayable in monthly instalments over a period of 15 years commencing from 2014. As at 30 September 2026, the loan was settled using proceeds arising from the disposal of the properties.

Loan II relates to the restructuring of the outstanding trade financing facilities undertaken by a subsidiary of the Group, Supratechnic (M) Sdn. Bhd. During the financial year, the subsidiary has entered into a Deed of Undertaking with the bank, pursuant to which it undertook to repay the outstanding liabilities of approximately $2.70 million by monthly instalments over five years commencing October 2025. The outstanding loan bears no further interest provided the agreed repayment terms are complied with. The bank has agreed not to enforce its rights under the existing facilities and related corporate guarantees provided that the repayment terms are met.

Bank overdrafts

Bank overdrafts bear interest rates ranging from 6.35% to 7.92% (2026: 6.35% to 7.92%) per annum and are secured by the subsidiary's leasehold properties and joint and several personal guarantees of the former directors of the Company and subsidiaries.

Loans from shareholder and related party

The loans from shareholder and related party are non-trade, interest-free, unsecured and repayable on demand.

b) Fair Values

Current borrowings

The carrying amounts of current borrowings approximate their fair values at the end of the reporting period as they are either repayable on demand or have short remaining maturities.

Non-current borrowings

Based on the discounted cash flow analysis using a discount rate based upon market lending rate for similar borrowings which management expects would be available to the Group at the end of the reporting period, the fair values of the fixed borrowings at the end of the reporting period approximate their carrying values as there are no significant changes in the marketing lending interest rates available to the Group at the end of the reporting period. The floating rates borrowings are instruments that are repriced to market interest rates on or near the end of the reporting period. Accordingly, the fair values of these borrowings, determined from the discounted cash flow analysis using market lending rates for similar borrowings which the management would be available to the Group would approximate their carrying amounts at the end of the reporting period.

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

13. **Share Capital**

	Group and Company			
	30 September 2026		30 September 2025	
	Number of issued shares '000	**Issued share capital S$'000**	Number of issued shares '000	Issued share capital S$'000
At 1 April and at 30 September	**90,922**	**50,913**	**90,922**	**50,913**

The holders of ordinary shares (except for treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restriction. The ordinary shares have no par value.

Ordinary Shares
There was no movement in the Company's issued ordinary shares during the six months ended 30 September 2026 and 30 September 2025. Trading in the Company's shares has been suspended since 23 February 2024.

Convertibles
On 19 September 2025, the Company entered into a conditional loan facility agreement with Ascendro Group Limited for a non-interest-bearing loan of S$3,000,000, which is to be capitalised into 270,862,209 new ordinary shares of the Company (representing approximately 75% of the enlarged issued share capital), subject to the requisite shareholders' and regulatory approvals. Accordingly, the number of shares that may be issued on conversion of the outstanding convertible loan was 270,862,209 as at 30 September 2026 (30 September 2025: Nil). Save as disclosed, the Company did not have any outstanding options or convertibles as at 30 September 2026 and 30 September 2025.

Total number of issued shares excluding treasury shares
The total number of issued shares excluding treasury shares was 90,287,403 as at 30 September 2026 and as at 31 March 2026.

Performance Shares

There were no performance shares granted as at 30 September 2026 (30 September 2025: Nil).

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

14. **Treasury shares**

	Group and Company			
	30 September 2026		30 September 2025	
	Number of issued shares	**$'000**	Number of issued shares	$'000
Balance at beginning and end of the period	**634,600**	**99**	634,600	99

Treasury Shares

As at 30 September 2026, the Company held 634,600 treasury shares (30 September 2025: 634,600), representing 0.70% (30 September 2025: 0.70%) of the total number of issued shares excluding treasury shares. There were no sales, transfers, cancellation and/or use of treasury shares during the six months ended 30 September 2026 and 30 September 2025. The Company did not have any subsidiary holdings as at 30 September 2026 and 30 September 2025.

15. **Net asset value**

	Group		Company	
	30/09/2026	**31/03/2026**	**30/09/2026**	**31/03/2026**
Net asset/(liability) value per ordinary share based on issued share capital excluding treasury shares at the end of the respective periods (in SGD cents)	(0.04)	(2.85)	(9.17)	(10.30)
No. of ordinary shares (excluding treasury shares) used in computing net asset value	90,287,403	90,287,403	90,287,403	90,287,403

16. **Earnings/(loss) per share**

	Group	
	30/09/2026	**30/09/2025**
Earnings/(losses) per ordinary share from the group, after deducting any provision for preference dividends (in SGD cents):		
(a) Based on weighted average number of ordinary shares on issue; and	2.81	(2.08)
Weighted average number of ordinary shares for basic profits/ (losses) per share computation	90,287,403	90,287,403
(b) On a fully diluted basis	2.81	(2.08)
Weighted average number of ordinary shares adjusted for the effect for dilution	90,287,403	90,287,403

Diluted earnings/(loss) per share is the same as basic earnings/(loss) per share for both periods, as the 270,862,209 shares to be issued under the conditional convertible loan are contingently issuable and the conditions for their issue had not been satisfied as at the end of the respective periods.

17. **Subsequent event**

There are no known subsequent events which have led to adjustments to this set of interim financial statements. On 14 October 2026, the Company's indirect wholly-owned subsidiary, Supratechnic Properties Sdn Bhd, entered into a collaboration agreement with GreenFish hf. for the exclusive distribution of an artificial intelligence-powered fishing application in Malaysia, Singapore and Indonesia, commencing with a pilot involving 50 fishermen in Malaysia.

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Other Information required by Listing Rule Appendix 7.2

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

   The condensed interim consolidated statement of financial position of USP Group Limited and its subsidiaries as at 30 September 2026 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the six-month period then ended and certain explanatory notes have not been audited or reviewed.

2. **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. This is not required for any audit issue that is a material uncertainty relating to going concern.

   Not applicable. The independent auditor, PKF-CAP LLP, has issued an unmodified opinion on the audited financial statements of the Group and the Company for the financial year ended 31 March 2026.

3. **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 (1HFY2027 VS 1HFY2026)

   Revenue

   Group revenue increased by S$1.22 million or 56.6% from S$2.15 million in 1HFY2026 to S$3.37 million in 1HFY2027. Revenue from the calibration of environmental equipment segment increased from S$0.61 million to S$2.06 million, driven by higher sales of IQAir air purification products (S$1.34 million; 1HFY2026: S$0.29 million), calibration and other services (S$0.50 million; 1HFY2026: S$0.28 million) and scientific equipment (S$0.21 million; 1HFY2026: S$0.03 million). Revenue from the marine distributors and dealerships segment decreased from S$1.54 million to S$1.31 million, mainly due to the lower sales demand from this segment.

REVIEW OF PERFORMANCE (1HFY2027 VS 1HFY2026) (CONT'D)

Cost of sales

Cost of sales increased by S$1.01 million or 74.6% from S$1.36 million in 1HFY2026 to S$2.37 million in 1HFY2027, in line with the higher revenue. Gross profit increased by S$0.20 million to S$0.99 million, while gross profit margin declined from 36.8% in 1HFY2026 to 29.5% in 1HFY2027, mainly because the Malaysian marine distribution business recorded a gross loss of S$66,000 on revenue of S$1.31 million due to clearance of slow moving inventory.

Other Income/(expenses), net

Net other income increased from S$35,000 in 1HFY2026 to S$4.72 million in 1HFY2027, comprising mainly the gain on disposal of the Shah Alam property of S$2.80 million, other income of S$1.68 million (including S$1.56 million recorded by the Company gain on settlement of creditors' claims under the Scheme) and a net foreign exchange gain of S$0.31 million, partially offset by a loss on disposal of plant and equipment of S$0.21 million and other expenses of S$0.08 million.

Selling and Distribution Expenses

Selling and distribution expenses decreased by S$83,000 or 58.9% from S$141,000 in 1HFY2026 to S$58,000 in 1HFY2027, mainly due to lower advertising and selling expenses (1HFY2026: S$100,000).

General and Administrative Expenses

G&A expenses increased by S$0.51 million or 23.4% from S$2.18 million in 1HFY2026 to S$2.69 million in 1HFY2027, mainly due to higher professional fees of S$1.31 million (1HFY2026: S$0.80 million), largely consultancy fees incurred in connection with the restructuring.

Finance Costs

Finance costs increased from S$26,000 in 1HFY2026 to S$82,000 in 1HFY2027, mainly due to interest on the bank loan of Supratechnic (M) Sdn Bhd of S$53,000 and interest on loans and lease liabilities of Scientific & Industrial Instrumentation Pte Ltd of S$26,000.

Profit/(Loss) After Tax

As a result of the above, the Group reported a net profit after tax of S$2.54 million in 1HFY2027 as compared to a net loss after tax of S$1.90 million in 1HFY2026. Income tax expense of S$347,000 in 1HFY2027 (1HFY2026: S$385,000) related mainly to current tax of KCD of S$379,000 and Supratechnic (M) Sdn Bhd of S$42,000, partially offset by a tax credit of S$82,000 recognised by Scientific & Industrial Instrumentation Pte Ltd.

REVIEW OF PERFORMANCE (1HFY2027 VS 1HFY2026) (CONT'D)

Non-Current Assets

Non-current assets decreased by S$3.45 million from S$4.45 million as at 31 March 2026 to S$1.00 million as at 30 September 2026, mainly due to the disposal of the Shah Alam property, the disposal of plant and equipment by a subsidiary and depreciation for the period.

Current Assets

Current assets increased by S$2.09 million from S$8.04 million as at 31 March 2026 to S$9.03 million as at 30 September 2026. Cash and bank balances increased from S$5.04 million to S$6.03 million, and included restricted cash of S$3.48 million held by Supratechnic (M) Sdn Bhd (part of the Shah Alam disposal proceeds held in a restricted account) and pledged fixed deposits of S$1.28 million; the S$3.00 million held in escrow by the Judicial Managers as at 31 March 2026 was released for distribution to scheme creditors. Trade and other receivables increased from S$1.02 million to S$1.53 million, mainly due to higher trade receivables, while inventories decreased from S$1.98 million to S$1.48 million.

Current Liabilities

Current liabilities decreased by S$2.47 million from S$12.39 million as at 31 March 2026 to S$9.92 million as at 30 September 2026. Trade and other payables decreased from S$7.51 million to S$3.59 million, mainly due to the settlement of creditors' claims pursuant to the Scheme. This was partially offset by an increase in current borrowings from S$1.78 million to S$3.05 million following the classification of the Group's bank loan as current. The liability component of the convertible loan remained at S$2.72 million.

Non-current Liabilities

Non-current liabilities decreased from S$2.67 million as at 31 March 2026 to S$0.15 million as at 30 September 2026, mainly due to the classification of bank loans as current liabilities and repayments during the period. Non-current liabilities as at 30 September 2026 comprised lease liabilities of S$0.15 million.

Equity

The Group's equity improved from a capital deficiency of S$2.58 million as at 31 March 2026 to total equity of S$0.03million as at 30 September 2026, mainly due to the profit for the period of S$2.54 million

REVIEW OF CASH FLOW STATEMENT

Cash Flow

During 1HFY2027, cash and cash equivalents increased by S$0.59 million from S$0.68 million to S$1.27 million as at 30 September 2026 (1HFY2026: increased by S$3.32 million from S$0.99 million to S$4.31 million).

Net cash used in operating activities amounted to S$3.63 million in 1HFY2027 (1HFY2026: net cash generated of S$2.09 million). Although the Group reported a profit for the period, this largely comprised the gain on disposal of the Shah Alam property (the proceeds of which are presented under investing activities). Operating cash flows were further reduced by an increase in trade and other receivables of S$0.51 million and payments to creditors amounting to S$3.2 million.

Net cash generated from investing activities amounted to S$5.42 million in 1HFY2027 (1HFY2026: S$1.35 million), mainly from the proceeds from the disposal of the Shah Alam property of S$6.08 million, partially offset by an increase in restricted cash of S$0.48 million and the purchase of property, plant and equipment of S$0.17 million.

Net cash used in financing activities amounted to S$1.20 million in 1HFY2027 (1HFY2026: S$0.12 million), mainly for the repayment of borrowings of S$1.05 million, repayment of lease liabilities of S$0.07 million and interest paid of S$0.08 million.

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

   Not applicable. No forecast or prospect statement has been disclosed to shareholders previously.

5. **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.**

   Restructuring and Trading Resumption
   Following the sanction of the Scheme by the High Court on 21 May 2026 and the discharge of the Company from judicial management with effect from 18 July 2026, management and control of the Company have reverted to the Board of Directors. The proposed capitalisation of the S$3,000,000 convertible loan from Ascendro Group Limited into 270,862,209 new ordinary shares remains subject to the requisite shareholders' and regulatory approvals, and the Company intends to undertake a compliance placement of new shares as part of its trading resumption proposal to SGX RegCo.

   Distributorship and Instrumentation
   The Group's principal operating segments comprise the distribution of marine engine products and the supply and calibration of scientific and industrial instrumentation, which together generated revenue of S$3.37 million in 1HFY2027. The Group has secured appointments as distributor of IQAir air purification products in Singapore and Indonesia and as authorised dealer and distributor for Honda Marine and Hidea outboard motors. On 26 August 2026, Scientific & Industrial Instrumentation Pte Ltd entered into a joint venture and commercial collaboration agreement with the Kimera Health group for the marketing, distribution and servicing of healthcare, laboratory and instrumentation products in Singapore, Malaysia and Indonesia, and on 14 October 2026, Supratechnic (M) Sdn Bhd entered into a collaboration agreement with GreenFish hf. for the distribution of an AI-powered fishing application.

   Liquidity and Cost Management
   The disposal of the Shah Alam property, which resulted in a gain of S$2.80 million in 1HFY2027, has strengthened the Group's financial position, and the net proceeds are being applied towards the settlement of creditors and the working capital requirements of the Group. The Group will continue to implement cost management and operational efficiency measures to contain its operating expenditure.

6. **Dividend information**

   a) Current Financial Period Reported on: Any dividend declared for the current financial period reported on?

      No Interim Dividend is declared.

   b) Corresponding Period of the Immediately Preceding Financial Year: Any dividend declared for the corresponding period of the immediately preceding financial year?

      No.

   c) Date payable:

      Not applicable

   d) Book closure date:

      Not applicable.

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

   No interim dividend has been declared or recommended for the half year ended 30 September 2026 (30 September 2025: Nil) as the Group intends to conserve cash for working capital use.

8. **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.

9. **Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)**

   The Company has procured undertakings from all its directors and executive officers in the format set out in Appendix 7H under Rule 720(1) of the Listing Manual of the SGX-ST.

10. **Disclosure of acquisitions (including incorporations) and realisations of shares pursuant to Rule 706A of the Listing Manual**

    On 16 July 2026, Koon Cheng Development Pte Ltd, an indirect wholly-owned subsidiary of the Company, was liquidated and ceased to be a subsidiary of the Group. A gain on liquidation of S$1,315,000 was recognised in profit or loss for 1HFY2027. Save as disclosed above, there were no acquisitions (including incorporations) or realisations of shares in subsidiaries or associated companies during the six months ended 30 September 2026 which require disclosure under Rule 706A of the Listing Manual.

11. **Negative Assurance Confirmation on Interim Financial Results Pursuant to Rule 705(5) of the Listing Manual**

    We, the undersigned, hereby confirm to the best of our knowledge, nothing has come to the attention of the Board of Directors of the Company which may render the condensed interim financial results for the half year ended 30 September 2026 to be false or misleading in any material aspect.

    On behalf of the Board of Directors

Melvin Tan Wei Yang Executive Director and Chief Executive Officer	**Maio Dangi** Non-Independent Non-Executive Deputy Chairperson

13 November 2026