SGXNET ANNOUNCEMENT 31 August 2026

DISCLAIMER OF OPINION BY THE INDEPENDENT AUDITOR ON THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEARS ENDED 31 MARCH 2022, 31 MARCH 2023, AND 31 MARCH 2024

1. INTRODUCTION

1.1 Pursuant to Rule 704(5) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**Listing Manual**"), the Board of Directors (the "**Board**") of USP Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company's Independent Auditor, PKF-CAP LLP (the "**Independent Auditor**"), has included a disclaimer of opinion in its Independent Auditor's Reports dated 31 August 2026 (collectively, the "**Independent Auditor's Reports**") in respect of the consolidated financial statements of the Group and the statement of changes in equity of the Company for the financial years ended 31 March 2022, 31 March 2023, and 31 March 2024 ("**FY2022**", "**FY2023**" and "**FY2024**", respectively, and collectively, "**FY2022-FY2024"**) (the "**Audited Financial Statements**").

1.2 Shareholders of the Company are advised to read this announcement in conjunction with the Independent Auditor's Reports and the Audited Financial Statements for FY2022-FY2024, which will be released separately on SGXNet and made available on the Company's corporate website. The Audited Financial Statements for FY2022-FY2024 will also be included in the combined FY2022-FY2024 Annual Report of the Company, subject to the approval by the Singapore Exchange Regulation Pte Ltd of the Company's application for waivers and extensions of time submitted on 25 August 2026.

2. BASIS OF THE DISCLAIMER OF OPINION

2.1 The basic for the disclaimer of opinion relates to the following matters:

<u>FY2022 Audited Financial Statements</u>

1. Inability to obtain access to component auditor's audit documentation for Supratechnic (M) Sdn., Bhd.;
2. Financial information of a subsidiary not audited – PT Supratechnic Instrumentasi Indonesia;
3. Impairment assessment of property, plant and equipment and goodwill;
4. Expected credit losses on trade and other receivables;
5. No bank confirmations were received for cash and cash equivalents and bank loans;
6. Existence and valuation of inventories;
7. Classification of borrowings – compliance with loan covenants;
8. Completeness of related party transactions;
9. Access to statutory records;
10. Inability to obtain confirmations in respect of legal matters;
11. Impairment assessment of the Company's investment in subsidiaries; and
12. Expected credit losses on amounts due from subsidiaries and related parties.

FY2023 Audited Financial Statements

1. Opening balances;
2. Inability to obtain access to component auditor's audit documentation for Supratechnic (M) Sdn., Bhd.;
3. Financial information of a subsidiary not audited – PT Supratechnic Instrumentasi Indonesia;
4. Impairment assessment of property, plant and equipment and goodwill;
5. Expected credit losses on trade and other receivables;
6. No bank confirmations were received for cash and cash equivalents and bank loans;
7. Existence and valuation of inventories;
8. Classification of borrowings – compliance with loan covenants;
9. Completeness of related party transactions;
10. Access to statutory records;
11. Inability to obtain confirmations in respect of legal matters;
12. Impairment assessment of the Company's investment in subsidiaries; and
13. Expected credit losses on amounts due from subsidiaries and related parties.

FY2024 Audited Financial Statements

1. Opening balances;
2. Inability to obtain access to component auditor's audit documentation for Supratechnic (M) Sdn., Bhd.;
3. Financial information of a subsidiary not audited – PT Supratechnic Instrumentasi Indonesia;
4. Impairment assessment of property, plant and equipment and goodwill;
5. Expected credit losses on trade and other receivables;
6. No bank confirmations were received for cash and cash equivalents and bank loans;
7. Existence and valuation of inventories;
8. Classification of borrowings – compliance with loan covenants;
9. Completeness of related party transactions;
10. Access to statutory records;
11. Inability to obtain confirmations in respect of legal matters;
12. Impairment assessment of the Company's investment in subsidiaries; and
13. Expected credit losses on amounts due from subsidiaries and related parties.

2.2 Notwithstanding the above, the Audited Financial Statements for FY2022-FY2024 have been prepared on a going concern basis having regard to the matters disclosed in Note 3.1 to the Audited Financial Statements.

3. BOARD OPINION

3.1 The Board, having considered, *inter alia*, the Group's financial position, cash flow requirements, available financial resources, financial support arrangements and business prospects, is of the opinion that the Group is able to continue as a going concern for the foreseeable future, based on the following considerations:

(i) the Group is actively exploring available strategic and financing options to secure sufficient funding to meet its operating and working capital requirements, and has appointed professional firms to assist the Group in this regard;

(ii) the Group intends to continue taking measures to manage and minimise its operating expenditure, including maintaining a lean workforce;

(iii) the Company has received a letter of financial support dated 12 August 2026 from (a) Hinterland Capital Pte. Ltd. ("**Hinterland**"), the sole shareholder and director of which, Mr. Tan Wei Yang, Melvin, is the Executive Director and Chief Executive Officer of the Company; and (b) Ascendro Group Limited ("**Ascendro**"), the sole shareholder and director of which, Ms. Maio Dangi, is the Non-Independent Non-Executive Deputy Chairperson of the Company. Pursuant to the letter of financial support, Hinterland and Ascendro have agreed to provide financial support to the Group in an aggregate amount of up to S$2,000,000, which the Group intends to rely on to support its operations and meet its financial obligations as they fall due;

(iv) the Group's core operating subsidiaries continue to trade and to generate recurring revenue: the Company's wholly-owned indirect subsidiaries Supratechnic (S) Pte. Ltd. ("**Supra S**") and Supratechnic (M) Sdn. Bhd. ("**Supra M**"), which distribute marine propulsion and related marine equipment, and healthcare and air-quality products, in Singapore and Malaysia; Scientific & Industrial Instrumentation Pte. Ltd. (SII), which supplies laboratory, calibration and gas detection instrumentation and related calibration and servicing work to regulated industries in Singapore; and PT Supratechnic Instrumentasi Indonesia, through which the Group has operations in Indonesia. These businesses hold distributor and dealer appointments from established principals, including IQAir, IGD, Dynament, LogiCO2, Hidea and Honda Marine, and have retained their principal appointments, customer base and key operating staff throughout the period of judicial management. In addition, Supra M was appointed by Tai Hua Agencies (K.L) Sdn. Bhd. as an authorised dealer of Tohatsu outboard motors, with a sales territory covering Peninsular Malaysia (excluding Mersing). The Board expects the Group's distribution and instrumentation operations, together with the Tohatsu appointment, to continue to generate operating cash flows from product sales, installation, after-sales service, warranty support and calibration work;

(v) the Company's wholly owned indirect subsidiary, Supratechnic Properties Sdn. Bhd. is in the midst of completing its disposal of Shah Alam property at MYR20.0 million (approximately S$6.37 million). This transaction is expected to be completed on or before 30 September 2026; and

(vi) the Company's wholly-owned indirect subsidiary, Supra M has sold its slow-moving stock for MYR2.69 million (approximately S$0.85 million). Most of the payments have been collected, with a remaining balance of MYR0.01 million outstanding in August 2026.

3.2 The Board recognises that the assessment of the Group's ability to continue as a going concern involves significant judgement and is dependent on the successful implementation of the measures and plans described above.

4. TRADING SUSPENSION

4.1 The trading suspension of the Company's securities, which took effect on 23 February 2024, remains in force pending the Company's proposal for the resumption of trading of the Company's shares on the Mainboard of the SGX-ST. Any resumption of trading is subject to the approval of the SGX-ST and is not assured. The Company has appointed SAC Capital Private Limited as its financial adviser in connection with the proposed resumption of trading.

5. CAUTIONARY STATEMENT

5.1 The Shareholders and potential investors are advised to read this announcement and any further announcements made by the Company carefully. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company and, where in doubt, to seek independent professional advice from their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD

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