UNIVERSAL RESOURCE AND SERVICES LIMITED (the "Company")
(Incorporated in the Republic of Singapore)
(Company Registration Number: 200312303R)

RELEASE OF SPECIAL AUDIT REPORT

Unless otherwise defined, all capitalised terms used in this Announcement shall have the same meanings ascribed to them in the Company's announcements made on 15 February 2017 and 23 October 2017.

The Board of Directors of the Company ("**Board**") refers to the Company's announcements made on 15 February 2017 and 23 October 2017.

Background

On 23 October 2017, the Company appointed Moore Stephens LLP ("**MSLLP**") as the Special Auditor to conduct an independent review into the circumstances surrounding the Matter and the state of financial affairs of the Group. MSLLP was asked to, amongst other things:

(i) investigate the irregularities in the cash and bank balances reported by MSLLP (please refer to the Company's announcement on 15 February 2017) and also investigate the credit and debit entries in the bank accounts of the Group's subsidiaries; and

(ii) identify and investigate any other questionable matters and transactions other than those mentioned in Item (i) above, including without limitation the acquisition of drilling equipment as announced by the Company on 20 June 2014, the proposed acquisition of 57.64% of Hongkong New Wing Energy Development Company Limited as announced by the Company on 12 January 2015 and the acquisition of second hand drilling rig as annnounced by the Company on 31 August 2015.

Release of the Special Audit Report and Executive Summary

MSLLP has completed the Special Audit and submitted the full report on their findings (the "**Special Audit Report**") to the SGX-ST, the Independent Working Committee of the Company and the Board.

MSLLP has prepared an executive summary of the Special Audit Report (the "**Executive Summary**"), which is attached as Annexure A to this announcement. MSLLP has set out in the Executive Summary a detailed summary of all of the facts, key findings and recommendations which are discussed in the full report.

Actions to be taken by Board

The Board takes a serious view of the potential breaches of laws and/or Listing Manual Rules highlighted by MSLLP and is currently seeking legal advice on the appropriate courses of action in the best interests of shareholders and the Company. These include but are not limited to referring the matters disclosed in the Special Audit Report to the relevant authorities and taking appropriate actions against the potential wrongdoers, if necessary.

The Board will continue to take all necessary actions in the best interests of the shareholders and the Company. Further announcements will be made to update shareholders as and when appropriate.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. There is no assurance that the shares of the Company will eventually resume trading on the SGXT and Shareholders are also advised to exercise caution when dealing in the securities of the

Company. When in doubt as to the action they should take, stakeholders and potential investors should consult their financial, tax or other advisers.

BY ORDER OF THE BOARD

David Chin Yew Choong & Chow Wai San
INDEPENDENT DIRECTORS
18 May 2020

ANNEXURE A

THE EXECUTIVE SUMMARY OF THE SPECIAL AUDIT REPORT (250 PAGES)