Under Judicial Management
Incorporated in the Republic of Singapore
Company Registration No. 200409104W

SGXNET ANNOUNCEMENT 3 June 2026

PROPOSED DISPOSAL OF THE PROPERTY LOCATED AT NO. 2 JALAN TIANG U8/91, BUKIT JELUTONG INDUSTRIAL PARK, 40150 SHAH ALAM, SELANGOR, MALAYSIA

*Unless otherwise defined, capitalised terms herein shall have the same meaning as ascribed to them in the Company's announcement dated 28 April 2026 (the "**Announcement**"), in relation to, inter alia, the proposed disposal of the Property.*

1. INTRODUCTION

USP Group Limited (Under Judicial Management) ("**Company**" and together with its subsidiaries, "**Group**") refers to the Announcement and wishes to announce that the Company had on 15 May 2026 and in relation to the proposed disposal of the Property by the Company's indirect subsidiary, Supratechnic Properties Sdn Bhd to an independent third party ("**Purchaser**") (the "**Proposed Disposal**"), submitted an application to the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") to seek a waiver from compliance with Rule 1014(2) of the Listing Manual of the SGX-ST (the "**Listing Manual**").

2. THE RELATIVE FIGURES AS SET OUT IN RULE 1006 OF THE LISTING MANUAL OF THE SGX-ST

2.1. The relative figures for the Proposed Disposal computed on the bases set out in Rule 1006 of the Listing Manual are as follows:

Rule 1006	**Bases**	**Relative Figure (%)**
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value. This basis is not applicable to an acquisition of assets	24.5%
(b)	The net profits attributable to the assets acquired or disposed of, compared with the Group's net profit	Not Applicable, as the Property is

Rule 1006	Bases	Relative Figure (%)
		not a revenue-generating asset
(c)	The aggregate value of the consideration given, compared with the Company's market capitalisation based on the total number of issued shares in the share capital of the Company (excluding treasury shares)(1)	167.9%
(d)	The number of equity securities issued by the Company as consideration for the Proposed Disposal, compared with the number of equity securities previously in issue	Not Applicable, as there is no issuance of equity securities by the Company
(e)	Aggregate volume or amount of proven and probable reserves to be disposed of, compared with the aggregate of the Group's proven and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets	Not Applicable, as the Company is not a mineral, oil or gas company

Note:

(1) The sale price of RM20 million (approximately S$6,365,372.37 based on an exchange rate of S$1:RM3.142), which represents approximately 167.9% of the Company's market capitalisation of approximately S$3,792,070.92 calculated on the basis of 90,287,403 ordinary shares in the capital of the Company in issue (excluding 634,600 treasury shares) ("**Shares**") multiplied by the weighted average price of S$0.042 per Share on 23 February 2024, being the last full market day on which the Shares were traded on the SGX-ST prior to the date of this announcement.

2.2. As the relative figure under Rule 1006(c) of the Listing Manual exceeds 20%, the Proposed Disposal would be treated as a "major transaction" under Rule 1014 of the Listing Manual, to which the requirements of Rule 1014 would apply in respect of the Proposed Disposal, unless a waiver is granted by the SGX-ST.

3. APPLICATION FOR WAIVER FROM COMPLIANCE WITH RULE 1014(2) OF THE LISTING MANUAL OF THE SGX-ST

3.1. On 15 May 2026, the Company had applied for a waiver from the requirement to comply with Rule 1014(2) of the Listing Manual ("**Waiver**"), on the following grounds:

(a) No significant change in the Group's risk profile

Messrs Tan Wei Cheong and Lim Loo Khoon, as the Company's joint and several judicial managers (the "**Judicial Managers**"), are of the view that the Proposed Disposal would not materially change the risk profile of the Group based on the following reasons:

(i) No change in control of the Company

The Proposed Disposal will not result in a change in control of the Company as the Proposed Disposal does not involve any issue of the Company's Shares and there will be no change to the Company's board of directors, management or controlling shareholders as a result of the Proposed Disposal.

(ii) The Property to be disposed is a non-core asset of the Group

The Property to be disposed is a non-core asset of the Group. The Property has been used as a warehouse and for corporate management office purposes. The Group has already relocated the office functions to another location under a leasing arrangement, and accordingly there will be no disruption to operations. The Judicial Managers do not see the Proposed Disposal as a material change in the nature of the Group's business. Following the Proposed Disposal, the Group will continue to be engaged in all its core operating segments, being distribution of marine engine products, recycling of waste oils, scientific instrumentation/calibration, and property investment and management.

(b) Disposal of Assets by Judicial Managers

The Company is currently under judicial management and the Company's Judicial Managers are seeking the Proposed Disposal to meet the interests of creditors and ongoing working capital requirements of the Company at a time of financial distress, and to achieve a more advantageous realisation of the Company's assets or property than on a winding up. It would not be practicable for the Judicial Managers to seek shareholders' approval pursuant to Rule 1014 of the Listing Manual as time is required to convene shareholders' meeting and there is a lack of certainty in obtaining the approval from shareholders of the Company ("**Shareholders**"). Moreover, substantial costs would need to be incurred at a time when the Company is already in financial distress.

In addition, the powers, duties and functions of the Judicial Managers are regulated by the Insolvency, Restructuring and Dissolution Act 2018 of Singapore ("**IRDA**"). The Judicial Managers have a duty under law to take reasonable care to obtain a proper price for the Proposed Disposal, which would be for the benefit of the Shareholders.

(c) The Proposed Disposal is time sensitive in nature

The Company needs to expedite the completion of the Proposed Disposal as the Purchaser has indicated that it would like to proceed for early completion.

3.2. The Company wishes to announce that the SGX-ST had on 2 June 2026 informed the Company (the "**SGX-ST Response**") that it has no objection to the Company's application for the Waiver, subject to the following:

(a) the Company announcing the following, including as required under Rule 107 of the Listing Manual: (i) the Waiver granted; (ii) the reasons for seeking the Waiver; (iii) certain matters considered by the SGX-ST as set out in the SGX-ST Response, based on the Company's submissions and representations in the Waiver application (the "**SGX-ST's Considerations**"); (iv) the conditions upon which the Waiver is granted; and (v) whether the Waiver conditions have been satisfied as at the date of the announcement (and if the Waiver conditions have not been satisfied, the Company must make an announcement as and when the conditions have been satisfied);

(b) submission of a written confirmation from the board of directors of the Company (the "**Board**") that the Waiver does not contravene any laws and regulations governing the Company and its constitution; and

(c) submission of a written confirmation from the Board and the Company announcing that there has been, and will be, no material change in the risk profile of the Company arising from the Proposed Disposal, including the bases for its opinion, (collectively, the "**Waiver Conditions**").

3.3. In accordance with Rule 107 of the Listing Manual, the Waiver Conditions must be satisfied for the Waiver to be effective. Rule 107 further provides that where a waiver is granted, the issuer must announce the waiver, the reasons for seeking the waiver and the conditions, if any, upon which the waiver is granted as soon as practicable.

3.4. Based on the Company's submissions and representations in the Waiver application, the SGX-ST considered the following SGX-ST's Considerations in granting the Waiver (subject to the Waiver Conditions):

(a) the Company is in judicial management;

(b) the Judicial Managers are disposing the Property in accordance with their duties and powers under the IRDA; and

(c) the Judicial Managers are of the opinion that the Proposed Disposal would be beneficial to the Shareholders.

3.5. Following this announcement, which sets out, *inter alia*, the Company's reasons for seeking the Waiver, the SGX-ST's Considerations, and the Waiver Conditions, the Company has fulfilled the Waiver Condition set out in paragraph 3.2(a) above.

3.6. Further announcements will be made in due course to provide Shareholders with an update on the satisfaction of the Waiver Conditions and the Proposed Disposal as and when appropriate.

By Order of the Judicial Managers

Tan Wei Cheong
Joint and Several Judicial Manager

3 June 2026