

USP GROUP LIMITED
(Company Registration No.: 200409104W)
(Incorporated in the Republic of Singapore)
(the "**Company**")

**THE PROPOSED CONSOLIDATION OF EVERY TEN (10) EXISTING SHARES OF THE
COMPANY INTO ONE (1) CONSOLIDATED SHARE, FRACTIONAL ENTITLEMENTS TO BE
DISREGARDED – NOTICE OF BOOKS CLOSURE DATE**

1. INTRODUCTION

- 1.1 The board of Directors of the Company ("**Board**") refers to the Company's announcements released on 19 October 2015, 1 March 2016 and 3 March 2016 and the circular to the shareholders of the Company (the "**Shareholders**") dated 15 March 2016 (the "**Circular**") in relation to the proposed share consolidation of every ten (10) existing ordinary shares ("**Existing Shares**") in the capital of the Company into one (1) ordinary share ("**Consolidated Share**"), fractional entitlements to be disregarded (the "**Share Consolidation**"). The Share Consolidation was approved by the Shareholders at the Extraordinary General Meeting held on 30 March 2016.
- 1.2 All capitalised terms used herein shall bear the meaning ascribed thereto in the Circular unless otherwise defined herein or where the context requires otherwise.

2. NOTICE OF BOOKS CLOSURE DATE

- 2.1 NOTICE IS HEREBY GIVEN that the Register of Members and the share transfer books of the Company will be closed at 5.00 p.m. on 8 April 2016 (the "**Books Closure Date**") in order to determine the entitlements of the Shareholders to the Consolidated Shares under the Share Consolidation.
- 2.2 After the Books Closure Date, every ten (10) Existing Shares registered in the name of each Shareholder as at the Books Closure Date will be consolidated to constitute one (1) Consolidated Share, fractional entitlements to be disregarded. The Register of Members of the Company and the Depository Register will be updated to reflect the number of Consolidated Shares held by the Shareholders and Depositors based on their shareholdings in the Company as at the Books Closure Date.
- 2.3 Shareholders should note that the number of Consolidated Shares which they will be entitled to pursuant to the Share Consolidation, based on their holdings of the Existing Shares as at the Books Closure Date, will be rounded down to the nearest whole Consolidated Share and any fractions of Consolidated Shares arising from the Share Consolidation will be disregarded and affected Shareholders will not be paid for the fractional shares which have been disregarded.
- 2.4 Each Consolidated Share will rank pari passu with each other, and will be traded in board lots of one hundred (100) Consolidated Shares.

3. SHARE CERTIFICATES

3.1. Deposit of Share Certificates with CDP

Shareholders who hold Old Share Certificates in their own names and who wish to deposit

the same with CDP and have their Consolidated Shares (after the Share Consolidation) credited to their Securities Accounts maintained with CDP, must deposit their Old Share Certificates, together with the duly executed instruments of transfer in favour of CDP, no later than twelve (12) Market Days prior to the Books Closure Date. After the Books Closure Date, CDP will only accept deposit of New Share Certificates.

Shareholders who wish to deposit their Old Share Certificates with CDP after the Books Closure Date must first deliver such Old Share Certificates to the Share Registrar, B.A.C.S Private Limited, at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, for cancellation and issuance of the New Share Certificates in replacement thereof as described below. The New Share Certificates will be sent by ordinary mail to the registered addresses of the Shareholders at their own risk within ten (10) Market Days from the Books Closure Date or the date of receipt of their Old Share Certificates, whichever is later. Upon receipt of the New Share Certificates, Shareholders may then proceed to deposit these New Share Certificates with CDP.

3.2. Issue of New Share Certificates

Shareholders who have deposited their Old Share Certificates with CDP at least twelve (12) Market Days prior to the Books Closure Date need not take any action. The Company will make arrangements with CDP to facilitate the issue of New Share Certificates pursuant to the Share Consolidation.

Shareholders who have not deposited their Old Share Certificates as aforesaid or who do not wish to deposit their Old Share Certificates with CDP are advised to forward all their Old Share Certificates to the Share Registrar, at B.A.C.S Private Limited, at 8 Robinson Road, #03-00 ASO Building, Singapore 048544, as soon as possible after they have been notified of the Books Closure Date for cancellation and exchange for New Share Certificates. No receipt will be issued by the Share Registrar upon receipt of any Old Share Certificates. The New Share Certificates will be sent by ordinary mail to the registered addresses of the Shareholders at their own risk within ten (10) Market Days from the Books Closure Date or the date of receipt of the Old Share Certificates, whichever is later.

Shareholders should note that the New Share Certificates will not be issued to Shareholders unless their Old Share Certificates have already been tendered to the Share Registrar for cancellation.

Shareholders should notify the Share Registrar if they have lost any of their existing Old Share Certificates or if there is any change in their respective addresses from that reflected in the Register of Members of the Company.

3.3. Share Certificates Not Valid for Settlement of Trades on the Mainboard of the SGX-ST

Shareholders are reminded that their physical share certificates are not valid for settlement of trading in the Shares on the Mainboard of the SGX-ST, as the Company is under a book-entry (scripless) settlement system, but will continue to be accepted by the Share Registrar for cancellation and issue of New Share Certificates in replacement thereof for an indefinite period. The New Share Certificates will not be valid for delivery for trades done on the Mainboard of the SGX-ST although they will continue to be prima facie evidence of legal title.

4. TRADING ARRANGEMENTS

4.1. Trading Arrangements for the Consolidated Shares

With effect from 9.00 a.m. on 11 April 2016 (Monday), being the Effective Trading Date, trading in the Shares will be in board lots of one hundred (100) Consolidated Shares. Trading in the Shares will cease after 5.00 p.m. on the Market Day immediately preceding the Effective Trading Date.

4.2. Trading Arrangements for Odd Lots

The Shares are currently traded in board lots of one hundred (100) Shares. Following the Proposed Share Consolidation, the Securities Accounts of Shareholders (being Depositors) may be credited with odd lots of Consolidated Shares (that is, lots other than board lots of one hundred (100) Consolidated Shares). Shareholders who receive odd lots of Consolidated Shares pursuant to the Proposed Share Consolidation and who wish to trade in odd lots of Consolidated Shares on the SGX-ST should note that odd lots of Consolidated Shares can be traded with a minimum size of one (1) Consolidated Share on the SGX-ST unit share market. The unit share market of the SGX-ST will enable trading in odd lots in any quantity less than one (1) board lot of the underlying Consolidated Shares. The market for trading of such odd lots of Consolidated Shares may be illiquid and Shareholders who hold odd lots of Consolidated Shares may have to bear disproportionate transaction costs in realising the fair market price of such Consolidated Shares.

5. INDICATIVE TIMETABLE

The table below sets out the indicative timetable for the Share Consolidation.

Time and Date	Event
31 March 2016 (Thursday)	Announcement of the Notice of Books Closure Date for the Share Consolidation
5.00 p.m. on 5 April 2016 (Tuesday)	Last day of trading of shares on pre-consolidated basis
9.00 a.m. on 6 April 2016 (Wednesday)	Effective Trading Date (Commencement of trading of Consolidated Shares)
5.00 p.m. on 8 April 2016 (Friday)	Books Closure Date for the Share Consolidation
9.00 a.m. on 11 April 2016 (Monday)	Effective Date of the Share Consolidation

6. CONTACT INFORMATION

The address of the Share Registrar, B.A.C.S Private Limited, is as follows:

B.A.C.S Private Limited
8 Robinson Road
#03-00 ASO Building
Singapore 048544

The address of CDP is as follows:

The Central Depository Pte Limited
9 North Buona Vista Drive
#01-19/20
The Metropolis
Singapore 138588

By Order of the Board
USP GROUP LIMITED

Li Hua
Executive Chairman
31 March 2016