

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

**UPDATE TO THE PROPOSED DISPOSAL OF SHARES IN THE ISSUED CAPITAL OF A SUBSIDIARY
BIOFUEL RESEARCH PTE LTD – ENTRY INTO DEED OF SETTLEMENT WITH AJ JETTING PTE LTD**

*All capitalised terms used and not defined herein shall have the same meaning ascribed to such terms as defined in the announcements by the Company dated 11 May 2020, 16 July 2020, 8 August 2020, 3 September 2020, 11 December 2020 and 27 June 2021 made the proposed disposal of shares in the issued capital of a subsidiary ("**Sale Shares**"), Biofuel Research Pte Ltd ("**Biofuel**") (the "**Previous Announcements**"). Unless otherwise defined, capitalized terms used in this announcement shall bear the same meanings as ascribed to them in the Previous Announcements.*

The Board of Directors (the "**Board**") of USP Group Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Previous Announcements in relation to the proposed disposal of Sale Shares of Biofuel.

As set out in the announcement dated 27 June 2021, the Company and AJ Jetting have agreed to negotiate an amicable settlement in relation to the termination of the proposed disposal of Sale Shares of Biofuel (the "**Termination**").

The Board wishes to update that the Company, has on 23 August 2021, entered into a Deed of Settlement (the "**Deed**") with AJ Jetting in relation to the Termination and the Company shall make repayment of the First Payment of S\$1,500,000.00 by way of six (6) monthly instalments of S\$250,000 each on an interest-free basis, with the first Instalment paid on 23 August 2021, being the date of the execution of the Deed, the second Instalment to be paid thirty (30) days from payment of the first Instalment, and subsequent Instalments to be paid thirty (30) days after each preceding instalment. This Deed is intended to be a full and final settlement of all claims arising out of or in connection with the Termination.

The Termination is not expected to have any material impact on the consolidated net tangible assets or consolidated earnings per share of the Company and the Group for the financial year ending 31 March 2022.

The Company will keep shareholders updated and informed as and when there are material developments on the aforesaid matter.

Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interest, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, Shareholders shall consult their stockbrokers, bank managers, solicitors, accountants or other professional advisors.

By Order of the Board
USP GROUP LIMITED

Tanoto Sau Ian
CEO and Executive
Director
24 August 2021