
GRANT OF PROVISIONAL APPROVAL FOR COMMENCEMENT OF WORKS FOR PHASE 2 OF ASPEN GLOVE SDN. BHD.'S MANUFACTURING FACILITY BY THE KULIM MUNICIPAL COUNCIL

The Board of Directors (the "**Board**") of Aspen (Group) Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company's subsidiary, Aspen Glove Sdn. Bhd. ("**AGSB**") has obtained provisional approval from the Kulim Municipal Council for the commencement of construction works for Phase 2 of the manufacturing facility at Kulim Hi-Tech Park, Bandar Lunas, Daerah Kulim, Kedah Darul Aman.

AGSB will commence the construction of Phase 2 of the manufacturing facility on 5 April 2021 and the construction is expected to be completed within 6 months. The completion of Phase 2, which will house an additional 12 production lines will bring the total annual production capacity of AGSB to approximately 7 billion gloves per annum. Production of gloves under Phase 2 is expected to commence in stages from Q4 2021 onwards and achieve full production capacity by 1Q 2022.

The Company is also pleased to announce that the construction works for AGSB's Phase 1(a) has reached the final stages of completion and the plant is fully energized with electricity, water and natural gas connection in ready supply. The final inspections are being carried out in stages and testing of equipment and machinery are being commissioned.

AGSB remains on schedule to start its trial production by 15 April 2021 and commence its full commercial production by 1 May 2021. A total of 338 direct labor required for Phase 1(a) production will officially commence their employment with AGSB starting from 1 April 2021. The Company is pleased to inform that the operations of Phase 1(a) will be manned by a team that is 100% local Malaysians consisting of key executives, management, executives and non-executive staff. AGSB's state-of-the-art automation and technology and strict compliance to environmental, social, and governance (ESG) best practices played a key role in attracting local talents. AGSB will continue on its commitment to hire local talent for its future phases.

AGSB is also in the midst of installing the machinery for its Phase 1(b) to include 6 additional production lines which it targets to commence by July 2021. AGSB is currently in the final stages of negotiation to sell the entire production capacity for Phase 1(b). The Company will update shareholders via SGXNET as and when there are material developments to the negotiations for the sale of the production capacities of Phase 1(b).

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan
President and Group Chief Executive Officer
31 March 2021