



ASPEN (GROUP) HOLDINGS LIMITED
Company Registration No.: 201634750K
(Incorporated in the Republic of Singapore)

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED (“SGX-ST”) ON THE RETRACTION OF THE COMPANY’S ANNOUNCEMENTS DATED 13 APRIL 2021

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Company’s earlier announcements dated 13 April 2021 and 24 April 2021.

The Board of Directors (the "**Board**") of Aspen (Group) Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce the following in response to the queries raised by the SGX-ST on 26 April 2021 in relation to the Company’s announcements on the entry into the Master Supply Agreement with Honeywell International Inc on 13 April 2021 (the "**Announcements**") as well as subsequent retraction of the Announcements on 24 April 2021.

SGX-ST’s Query

The Company announced on 24 April 2021 that “Contrary to the Announcements, Honeywell has not consummated the Agreement on 12 April 2021” (“Honeywell Agreement”). “As such, the Company wishes to retract the Announcements (“Retraction”) relating to AGSB’s entry into the Agreement with Honeywell from SGXNET as a result of communication oversight between the parties to the Agreement.” The Honeywell Agreement was announced on 13 April 2021. Please elaborate on the following:

- (a) The Company disclosed that “Contrary to the Announcements, Honeywell has not consummated the Agreement on 12 April 2021.”. Please elaborate why the Agreement was “not consummated” by Honeywell.
- (b) To disclose on what date was the Company aware of the communication oversight and that the Honeywell Agreement was “not consummated” by Honeywell.
- (c) The Company announced the retraction only 11 days after the announcement of the Honeywell Agreement. Please explain why it was not necessary to immediately announce the necessary clarification to the market once it was aware and to elaborate the course of events which transpired during the period of 11 days.
- (d) Please also provide the Company’s view whether the “Honeywell Agreement” would have been deemed as material information and provide basis for the Board’s view.

Company’s Response

- (a) After months of negotiations between the parties dating back to October 2020, AGSB had on 10 April 2021 received what it believed to be the final Honeywell Agreement (“**MSA**”). AGSB had on 12 April 2021 duly executed the MSA and AGSB also believed that Honeywell’s execution of the MSA was imminent given that 12 April 2021 was noted as the effective date. The Company was subsequently made aware by Honeywell that Honeywell did not execute the MSA and that there are internal approvals required before such a step could be taken.

- (b) The Company was made aware of the communication oversight and the non-consummation of the MSA by Honeywell on 14 April 2021.
- (c) The Company wishes to clarify that it had announced the Retraction within 8 working days from the said Announcements. In preparation of the Retraction, the Company had to liaise with Honeywell's officers who are based in the United States of America ("**USA**") where there is a 12-hour time difference between the USA and Malaysia. As a result, most of the communication turnaround between the parties took more than 24 hours.

From the time that the Company was made aware of the non-consummation of the MSA, the Company had to clarify the reasons for the non-execution of the MSA by Honeywell. AGSB had delivered the MSA which was duly signed by AGSB together with the Invoice for the first payment of the Deposit and believed that Honeywell's execution of the MSA was imminent given that:-

- (i) 12 April 2021 was noted as the effective date of the MSA signed by AGSB;
- (ii) the MSA signed by AGSB is not subjected to any express conditions precedent; and
- (iii) Honeywell had on 13 April 2021 acknowledged receipt of the MSA that had been signed by AGSB and the Invoice prior to the Announcements made on the SGXNET by the Company. Further, Honeywell informed AGSB that the Invoice had been submitted for processing in the ordinary course and expected a quick turnaround.

Subsequently, upon clarification by Honeywell, the Company had proceeded to prepare the Retraction announcement. After multiple exchanges of communication between the parties, the Retraction announcement was officially approved by Honeywell on 24 April 2021 and the Company immediately issued the Retraction announcement to SGXNET after obtaining its internal approvals on the same day.

- (d) At the time of making the Announcements, the Board was of the view that the details of the MSA requires disclosure for, inter alia, the following reasons:-
 - (i) the Company had only recently diversified its core business to include the manufacturing of rubber and nitrile medical gloves and the Shareholders should be kept informed about the progress of the diversification strategy;
 - (ii) the securing of a fully executed MSA would be a material event due to the significant contract value at USD210 million and for a term of 2 years whereby Honeywell would be a major customer of AGSB;
 - (iii) the acquisition of a significant contract is an event which would require immediate announcement pursuant to Rule 703 of the SGX Listing Manual; and
 - (iv) the entry into the MSA would be a price sensitive information which would be likely to materially affect the price or value of the Company's securities.

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan
President and Group Chief Executive Officer
29 April 2021