

ASPEN (GROUP) HOLDINGS LIMITED

3Q 2017 Result Announcement

Analysts Briefing
10 November 2017



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Key Highlights

1. For 3Q 2017, the Group recorded a 504% increase in revenue to RM138 million and 2,218% increase in net profit to RM24.9 million
2. Revenue rose substantially due to progressive revenue recognition from ongoing projects and the completion of sale of a piece of land for the development of a private medical centre.
3. Healthy balance sheet with comfortable net cash position of RM92.3 million as at 30 September 2017
4. With total unbilled sales of RM1.015 billion as at 30 September 2017, the Group expects strong growth to continue with the sales and construction of its ongoing projects as well as the commencement of construction for Vertu Resort with a total GDV of RM661.7 million



Summary of Malaysia's Budget 2018

1. The Government has allocated a fund amounted to RM2.2 billion to increase home-ownership
2. MyDeposit programme - assist first time home buyers with their down payment or instalments when purchasing their first home. Enable developers to provide more affordable homes
3. To encourage the construction of more affordable homes, the step-up financing scheme introduced by PR1MA will be extended to private housing developers subject to certain criteria
4. 50% tax exemption for rental income on residential home will also encourage investment in residential properties
5. The reduction in income tax rate of low and middle-income taxpayers will result in higher disposable income for those planning to buy a home



RESULTS HIGHLIGHTS

3Q FY2017



(RM'000)	3Q FY2017	3Q FY2016	YoY Change (%)
Revenue	137,920	22,817	504
Gross profit	55,314	8,472	476
<i>Gross profit margin</i>	<i>40.11%</i>	<i>37.13%</i>	<i>+2.98ppt</i>
Results from operating activities	41,192	2,520	n.m.
Profit/(Loss) before tax	41,750	1,596	n.m.
Profit/(Loss) attributable to owners of the Company	24,947	1,076	n.m.
EPS (RM cents)*	8.24	0.36	n.m.

n.m. – Not meaningful

* EPS for both financial periods ended 30 September are based on share capital of 302,845,603 shares assuming Restructuring Exercise has been completed as at 1 January 2016.

Redefine Living

(RM'000)	9M FY2017	9M FY2016	YoY Change (%)
Revenue	245,948	55,513	343
Gross profit	105,003	19,772	431
<i>Gross profit margin</i>	<i>42.69%</i>	<i>35.61%</i>	<i>+7.08ppt</i>
Results from operating activities	71,673	887	n.m.
Profit/(Loss) before tax	72,093	(1,049)	n.m.
Profit/(Loss) attributable to owners of the Company	43,441	(1,763)	n.m.
EPS (RM cents)*	14.34	(0.58)	n.m.

n.m. – Not meaningful

EPS for both financial periods ended 30 September are based on share capital of 302,845,603 shares assuming Restructuring Exercise has been completed as at 1 January 2016.

Redefine Living

RM'000	As at 30 September 2017	As at 31 December 2016
Non-current Assets	146,187	107,145
Current Assets	549,865	422,295
<i>Development properties</i>	<i>206,072</i>	<i>193,787</i>
<i>Cash and cash equivalents</i>	<i>161,083</i>	<i>103,383</i>
Current Liabilities	334,642	342,031
Non-current Liabilities	105,362	143,119
Equity attributable to owners of the Company	244,535	40,912
NAV per share (RM cents)*	28.22	5.90

NAV per share for financial periods ended 30 September 2017 and 31 December 2016 are based on post-IPO and pre-IPO share capital of 866,617,900 and 693,347,900 ordinary shares respectively.

KEY BUSINESS REVIEW

ONGOING PROJECTS

- TRI PINNACLE
- VERVÉA
- VERTU RESORT
- BEACON EXECUTIVE SUITES

TRI PINNACLE

- Total GDV: RM520.9 mil
- Total units: 1,317
- Percentage of units sold: 82.69%
- Sales value: RM429.7 mil
- Unbilled sales: RM185.2 mil
- Expected date of T.O.P.: 3Q 2018



Redefine Living

VERVÉA

- Total GDV: RM845.2 mil (*excluding Investment Properties*)
- Total units: 441
- Percentage of units sold: 88.51%
- Confirmed Sales : RM705.3mil
- Unbilled sales: RM347.4mil
- Expected date of T.O.P.: 3Q 2018



VERTU RESORT

- Total GDV: RM661.7 mil
- Total units: 1,246
- Percentage of units sold: 64.61%
- Sales value: RM410.3 mil
- Unbilled sales: RM371.1 mil
- Expected date of T.O.P.: 1Q 2021

**Piling Works
Completed**



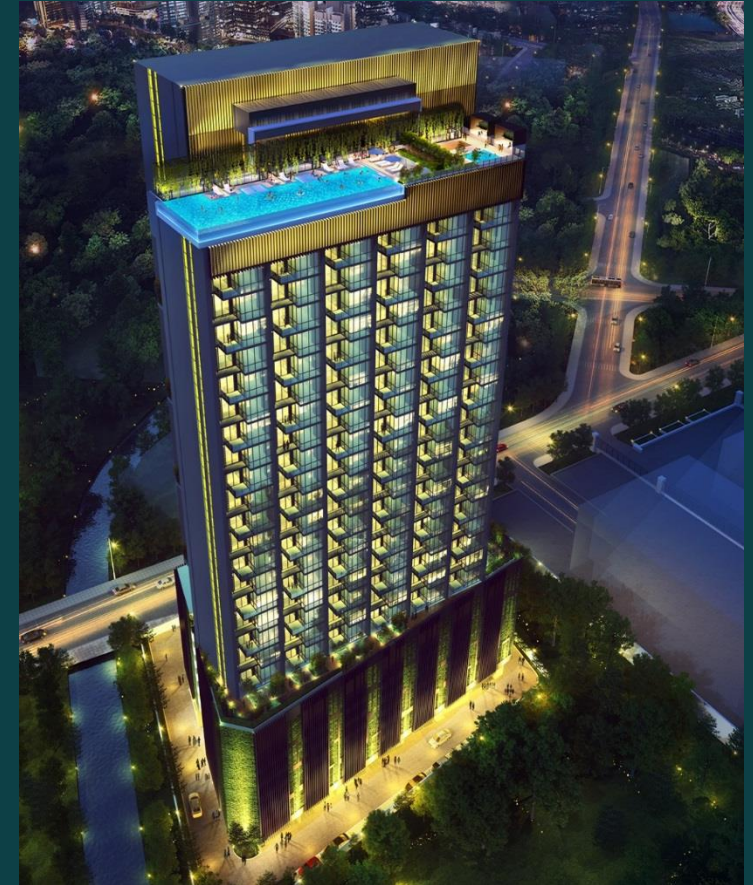
As at 6 November 2017



Redefine Living

BEACON EXECUTIVE SUITES

- Total GDV: RM143.0 mil
- Total units: 227
- Percentage of units sold: 63.88%
- Sales value: RM89.5 mil
- Unbilled sales: RM 89.5 mil
- Expected date of T.O.P.: 3Q 2020



Redefine Living

KEY BUSINESS REVIEW

PIPELINE PROJECTS

- HH PARK RESIDENCE
- VILUXE DESIGNER BUNGALOWS
- VITTORIA FINANCIAL CENTRE
- VOG LIFESTYLE RESIDENCE

HH PARK RESIDENCE

Project Location : Tanjung Bungah, Penang

Estimated GDV : RM613.1 mil

Targeted Development Components:
Mixed development consists of 2 blocks urban condominium
with shop offices and retail spaces



Redefine Living

VILUXE DESIGNER BUNGALOWS

Project Location : Aspen Vision City, Penang

Estimated GDV : RM350 mil

Targeted Development Components:
Landed development consists of 133 units of designer bungalows



Redefine Living

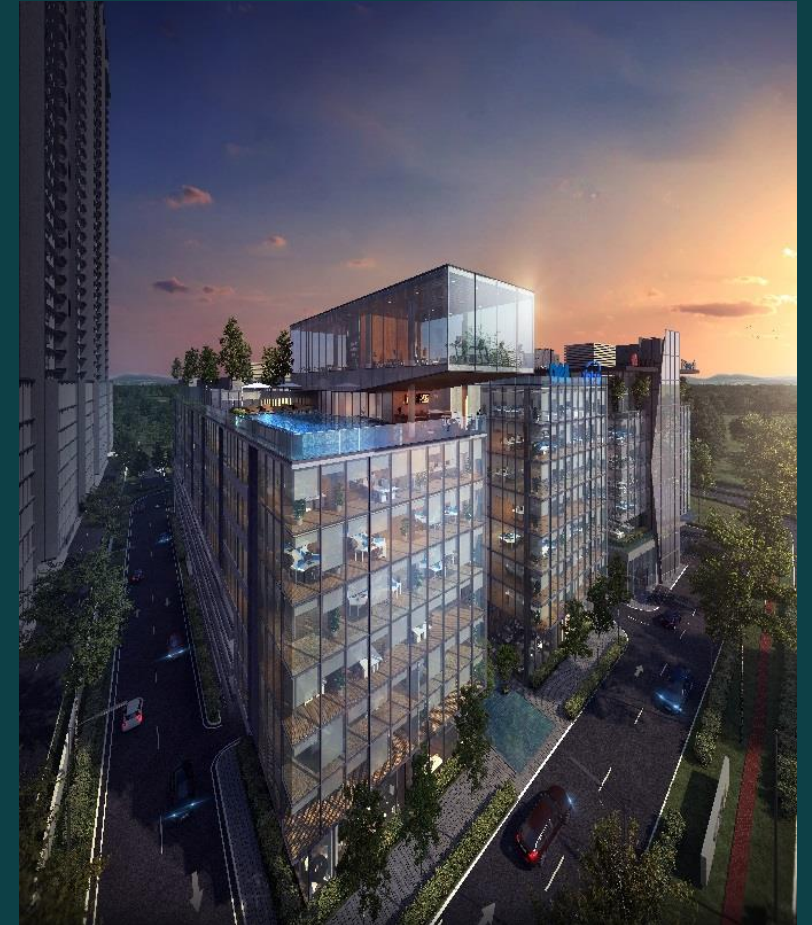
VITTORIA FINANCIAL CENTRE

Project Location : Aspen Vision City, Penang

Estimated GDV : RM238 mil

Targeted Development Components:

Commercial development consists of 5 blocks of commercial building and 1 block of office tower.



Redefine Living

VOG LIFESTYLE RESIDENCE

Project Location : Aspen Vision City, Penang

Estimated GDV : RM 800.0 mil

Targeted Development Components:
Mixed development consists of 1 block of hotel and office suites,
2 blocks of condominium and retail spaces



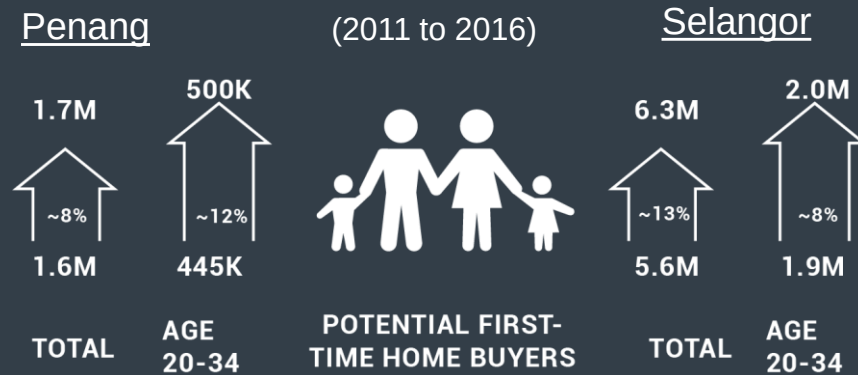
Redefine Living

BUSINESS OUTLOOK AND FUTURE PLANS



BUSINESS OUTLOOK

Growing population in Penang and Selangor



Government policies promoting affordable home ownership

- Assist first time home buyers with their down payment or instalments under MyDeposit programme
- Financing scheme introduced by PR1MA will be extended to private housing developers
- 50% tax exemption for rental income on residential homes

Strong investment into Penang

- Attracted **RM55 bn** investments from 2008-2015, 90% increase from 2000-2007
- **20%** of Malaysia's overall foreign direct investment inflows in 2015, the **highest** among the states in Malaysia
- **RM27 bn** Penang Transport Master Plan aimed at improving

Development plans of Batu Kawan

- Strategically located
- Landmark projects - joint venture between PDC, Temasek and Economic Development Innovations Singapore to develop Penang High Tech Industrial park
- Master planned as an Eco City township which is modern, sophisticated and comfortable with sustainable and green technology

1 Source: Penang Development Corporation, 2015 Annual Report, Chairman's Message, on its website: http://www.pdc.gov.my/images/pdc_pictures/annualreport/PDC_AR2015.pdf.

2 Source: Penang Development Corporation, on Batu Kawan Industrial Park, on its website: http://www.pdc.gov.my/images/pdc_pictures/annualreport/PDC_AR2015.pdf.

FUTURE PLANS

- **Acquire new land banks and carry out new developments**
 - ✓ Expand into other Southeast Asian regions through mergers and acquisitions, joint ventures, strategic alliances or partnerships
- **Continue to focus on mass market residential and mixed development projects**
 - ✓ Enter into partnerships with established brands to provide greater value to purchasers through the provision of Smart Services and other innovative technologies
- **Expansion into new business segments**
 - ✓ To generate recurring income streams from our property developments by renting out car parks, retail outlets and advertisement spaces
- **Streamline our development and construction processes**
 - ✓ Keep financing costs and leverage low by utilising internal sources of funding prior to utilising external facilities





THANK YOU

