



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

CLARIFICATION IN RELATION TO LETTER OF DEMAND AGAINST ASPEN GLOVE SDN BHD

The Board of Directors (the “**Board**”) of Aspen (Group) Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its announcement dated 3 March 2022 in relation to receipt of letter of demand (the “**Letter of Demand**”) from the solicitors acting for Tialoc Malaysia Sdn Bhd (“**Tialoc**”) against the Company’s subsidiary, Aspen Glove Sdn. Bhd. (“**AGSB**”), claiming an aggregate sum of RM93,163,334.69 (“**Tialoc’s Claim**”) for construction work done in relation to AGSB’s manufacturing facilities and other services rendered pursuant to agreements previously entered into between AGSB and Tialoc (the “**Announcement**”).

Unless otherwise defined, all capitalised terms used in this announcement shall bear the same meanings as ascribed to them in the Announcement.

Further to the Announcement, the Board wishes to clarify that Tialoc’s Claim is allegedly for the full balance contract sum based on the interim payment certificates issued for the work done by Tialoc. AGSB disputes the Letter of Demand and contends that the amount is not due and payable as there are material unresolved issues in relation to the contractual works undertaken by Tialoc and its vendors/subcontractors which resulted in AGSB suffering losses, among other things, loss of production and drop in efficiency of production capacity.

AGSB is currently in negotiation with Tialoc on a without prejudice basis for the rectification of the defective works, loss of production and/or insurance claims. AGSB will only release the outstanding payment (if any) to Tialoc once all the outstanding issues are resolved. AGSB is also seeking legal advice on a possible counterclaim against Tialoc and its vendors/subcontractors to recover the losses suffered by AGSB. In connection therewith, AGSB is currently assessing and quantifying the quantum of AGSB’s claim against Tialoc and its vendors/subcontractors.

Taking into account the cash from operations and available credit facilities and/or planned additional capital injections from respective shareholders of AGSB, the Board wishes to confirm that the Group will be able to mitigate any immediate going concern risk.

The Company will update the shareholders via SGXNET as and when there are any material updates in relation to the above.

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato’ Murly Manokharan
President and Group Chief Executive Officer
4 March 2022