ASPIAL CORPORATION LIMITED
(Incorporated in the Republic of Singapore)
(Registration Number: 197001030G)

PURCHASE OF 4–YEAR 5.3 PER CENT. BONDS DUE 2020 ISSUED BY ASPIAL TREASURY PTE. LTD. FROM MADAM KO LEE MENG AND MADAM KOH LEE HWEE, AS INTERESTED PERSON TRANSACTIONS

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1. Introduction

The board of directors (the "**Board**" or the "**Directors**") of Aspial Corporation Limited (the "**Company**", together with its subsidiaries and associated companies, the "**Group**") refers to the announcement made on 30 August 2019 (the "**IPT Announcement**") in relation to the interested person transactions entered into by the Group under Chapter 9 of the Listing Manual (the "**Listing Manual**") of the Singapore Exchange Securities Trading Limited ("**SGX-ST**").

Capitalised terms used but not defined herein shall have the meanings ascribed to them in the IPT Announcement.

2. Details of the Interested Person Transactions

2.1 Further to the IPT Announcement, the Board wishes to announce that the Company had, on 31 December 2019, purchased:

(i) an aggregate principal amount of S$1,500,000 of the 5.3 per cent. bonds due 2020 (the "**Bonds**") issued by Aspial Treasury Pte. Ltd., a wholly-owned subsidiary of the Company, from Madam Ko Lee Meng for a purchase price of S$1,524,973.97; and

(ii) an aggregate principal amount of S$250,000 of the Bonds from Madam Koh Lee Hwee, for a purchase price of S$254,412.33,

(such transactions, the "**Bond Purchases**").

The purchase price for each Bond Purchase was arrived at on a willing-buyer, willing-seller basis, taking into account the prevailing market price of the Bonds.

2.2 **Interested Person Transactions.** Madam Ko Lee Meng and Madam Koh Lee Hwee are Directors and controlling shareholders of the Company and are each an "interested person" of the Company for the purposes of Chapter 9 of the Listing Manual. Accordingly, transactions entered into by the Company with each of Madam Ko Lee Meng and Madam Koh Lee Hwee constitute interested person transactions under Chapter 9 of the Listing Manual.

The aggregate value of the Bond Purchases represents approximately 0.44 per cent. of the Group's latest audited net tangible assets of approximately of S$408,593,000 as at 31 December 2018 (the "**Aspial Group NTA**").

The aggregate value of the Bond Purchases, when aggregated with the other interested person transactions entered into by the Group with the same group of interested persons during the financial year ended 31 December 2019 (excluding transactions which are exempted from the requirement to obtain shareholders' approval pursuant to Rule 916 of the Listing Manual and the transactions which have been approved by shareholders of the Company in accordance with Rule 906(1) of the Listing Manual) amount to approximately S$13,016,000, representing approximately 3.19 per cent. of the Aspial Group NTA.

2.3 **Rationale for and Benefit of the Bond Purchases.** The Bond Purchases would allow the Group to reduce costs of debt arising from interest accrued up to the maturity of the Bonds in April 2020.

2.4 **Audit Committee.** The audit committee of the Company, having considered and reviewed the terms of the Bond Purchases and the rationale for and benefit of the Bond Purchases, is of the view that the Bond Purchases are on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

3. Value of Interested Person Transactions.

Other than transactions of less than S$100,000:

(i) for the financial year commencing on 1 January 2019 up to 31 December 2019, the aggregate value of all interested person transactions entered into between the Group and Mr Koh Wee Seng, Madam Ko Lee Meng, Madam Koh Lee Hwee and their respective associates is approximately S$126,105,000, representing approximately 30.86 per cent. of the Aspial Group NTA, of which approximately S$113,089,000 were transactions which have been approved by shareholders of the Company in accordance with Rule 906(1) of the Listing Manual or which fall within Rules 916(1), 916(2) and 916(3) of the Listing Manual[1]; and

(ii) the aggregate value of all interested person transactions entered into by the Group for the financial year commencing 1 January 2019 up to 31 December 2019 is approximately S$126,105,000, representing approximately 30.86 per cent. of the Aspial Group NTA.

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[1] The Company is exempted from the requirement to obtain shareholders' approval pursuant to Rule 906(1)(b) of the Listing Manual for (i) the lease of premises, (ii) the issuance of 23,964,226 ordinary shares in the capital of AF Corporation Pte. Ltd., credited as fully paid, to the Company, as part of the capitalisation by AF Corporation Pte. Ltd. of its reserves on a pro-rata basis to the Company and Fragrance Group Limited, and (iii) the JV Loans (as defined in the IPT Announcement), as they each fall within the exemption under Rules 916(1), 916(2) and 916(3) of the Listing Manual.

By Order of the Board
ASPIAL CORPORATION LIMITED

Lim Swee Ann
Company Secretary
6 January 2020