Aspen (Group) Holdings Limited

And its Subsidiaries

Registration Number: 201634750K

Condensed Interim Financial Statements

For the six months and twelve months ended 31 December 2021

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A. Condensed interim consolidated statement of profit or loss and other comprehensive income

		Group			Group		
		6 months ended		%	12 months ended		%
	Note	31.12.21	31.12.20	Change	31.12.21	31.12.20	Change
		Unaudited	Audited		Unaudited	Audited	
		RM'000	RM'000		RM'000	RM'000	
Revenue	4	62,400	174,670	(64)	185,100	282,832	(35)
Cost of sales		(58,102)	(110,640)	(47)	(159,334)	(199,430)	(20)
Gross profit		4,298	64,030	(93)	25,766	83,402	(69)
Other income		9,127	2,020	352	10,400	3,355	210
Administrative expenses		(36,238)	(25,082)	44	(66,565)	(49,647)	34
Selling and distribution expenses		(3,242)	(3,110)	NM	(10,101)	(6,164)	64
Other operating expenses		(550)	(1,822)	(70)	(1,628)	(3,891)	(58)
Results from operating activities		(26,605)	36,036	(174)	(42,128)	27,055	(256)
Finance income		783	756	NM	896	1,825	(51)
Finance costs		(5,115)	646	(892)	(7,286)	(3,102)	135
Net finance costs		(4,332)	1,402	(409)	(6,390)	(1,277)	400
Share of results of equity-accounted investees, net of tax		(15,958)	62,057	(126)	(17,160)	61,510	(128)
(Loss)/Profit before tax	6	(46,895)	99,495	(147)	(65,678)	87,288	(175)
Tax expense	7	(11,618)	(10,656)	9	(13,307)	(11,492)	16
(Loss)/Profit for the period		(58,513)	88,839	(166)	(78,985)	75,796	(204)
Other comprehensive income, net of tax							
Items that are or may be reclassified subsequently to profit or loss							
Foreign currency translation differences for foreign operations		-	(11)	(100)	129	(19)	(779)
Other comprehensive income, net of tax		-	(11)	(100)	129	(19)	(779)
Total comprehensive (loss)/profit for the period		(58,513)	88,828	(166)	(78,856)	75,777	(204)
(Loss)/Profit for the period attributable to:							
Owners of the Company		(59,396)	85,386	(170)	(75,565)	72,731	(204)
Non-controlling interests		883	3,453	(74)	(3,420)	3,065	(212)
		(58,513)	88,839	(166)	(78,985)	75,796	(204)

	Note						
Total comprehensive (loss)/profit for the period attributable to:							
Owners of the Company		(59,396)	85,375	(170)	(75,436)	72,712	(204)
Non-controlling interests		883	3,453	(74)	(3,420)	3,065	(212)
		(58,513)	88,828	(166)	(78,856)	75,777	(204)
Earnings per share (cents)							
- Basic	9	(5.48)	8.57		(6.98)	7.30	
- Diluted	9	(5.48)	8.57		(6.98)	7.30	

NM = Not meaningful

B. Condensed interim statements of financial position

	Note	Group		Company	
		31.12.21 Unaudited RM'000	31.12.20 Audited RM'000	31.12.21 Unaudited RM'000	31.12.20 Audited RM'000
Non-current assets					
Property, plant and equipment	11	438,561	236,773	-	-
Intangible assets	12	1,781	1,807	-	-
Subsidiaries		-	-	223,632	217,970
Associates	13	145,237	147,156	-	-
Development properties		367,688	368,657	-	-
Trade and other receivables		7,532	20,833	-	-
Deferred tax assets		38,935	10,620	-	-
		999,734	785,846	223,632	217,970
Current assets					
Development properties		516,150	514,519	-	-
Contract costs		27,151	11,966	-	-
Contract assets		36,587	97,148	-	-
Tax recoverables		6,962	6,125	-	-
Inventories		36,075	17,799	-	-
Trade and other receivables		80,734	49,722	87,141	91,472
Cash and cash equivalents		26,354	86,565	100	29,148
		730,013	783,844	87,241	120,620
Total assets					
		1,729,747	1,569,690	310,873	338,590
Current liabilities					
Loans and borrowings	14	148,137	160,692	4,165	28,091
Trade and other payables		457,663	304,511	3,836	2,792
Contract liabilities		60,519	2,434	-	-
Current tax liabilities		9,431	2,752	-	-
		675,750	470,389	8,001	30,883
Non-current liabilities					
Loans and borrowings	14	323,589	335,690	-	-
Trade and other payables		114,479	124,771	-	-
Non-current tax liabilities		27,446	-	-	-
Deferred tax liabilities		10,562	10,781	-	-
		476,076	471,242	-	-
Total liabilities		1,151,826	941,631	8,001	30,883
Equity					
Share capital	15	316,786	316,786	316,786	316,786
Reserves		174,061	249,497	(13,914)	(9,079)
Equity attributable to owners of the Company		490,847	566,283	302,872	307,707
Non-controlling interests		87,074	61,776	-	-
Total equity		577,921	628,059	302,872	307,707
Total equity and liabilities		1,729,747	1,569,690	310,873	338,590

C. Condensed interim statements of changes in equity

Group	Share capital RM'000	Translation reserve RM'000	Reserve for own shares RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2021	316,786	(30)	(21)	37,442	212,106	566,283	61,776	628,059
Loss for the year	-	-	-	-	(75,565)	(75,565)	(3,420)	(78,985)
Other comprehensive income, net of tax	-	129	-	-	-	129	-	129
Total comprehensive income for the period	-	129	-	-	(75,565)	(75,436)	(3,420)	(78,856)
Changes in ownership interest in subsidiary	-	-	-	-	-	-	(2,500)	(2,500)
Issuance of redeemable convertible preference shares	-	-	-	-	-	-	31,218	31,218
Total transactions with owners	-	-	-	-	-	-	28,718	28,718
At 31 December 2021	316,786	99	(21)	37,442	136,541	490,847	87,074	577,921

Group	Share capital RM'000	Translation reserve RM'000	Reserve for own shares RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2020 (restated)	237,241	(11)	(21)	37,442	140,922	415,573	55,711	471,284
Profit for the year	-	-	-	-	72,731	72,731	3,065	75,796
Other comprehensive income, net of tax	-	(19)	-	-	-	(19)	-	(19)
Total comprehensive income for the period	-	(19)	-	-	72,731	72,712	3,065	75,777
Issuance of shares through private placement	72,642	-	-	-	-	72,642	-	72,642
Issuance of scrip dividend	7,423	-	-	-	(1,547)	5,876	-	5,876
Transactions costs relating to scrip dividend and issuance of shares	(520)	-	-	-	-	(520)	-	(520)

Acquisition of subsidiary with noncontrolling interests	-	-	-	-	-	-	3,000	3,000
Total transactions with owners	79,545	-	-	-	(1,547)	77,998	3,000	80,998
At 31 December 2020 (restated)	316,786	(30)	(21)	37,442	212,106	566,283	61,776	628,059

Company	Share capital RM'000	Reserve for own shares RM'000	Retained losses RM'000	Total equity RM'000
At 1 January 2021	316,786	(21)	(9,058)	307,707
Total comprehensive loss for the period	-	-	(4,835)	(4,835)
At 31 December 2021	316,786	(21)	(13,893)	302,872

Company	Share capital RM'000	Reserve for own shares RM'000	Retained earnings/(losses) RM'000	Total equity RM'000
At 1 January 2020	237,241	(21)	1,406	238,626
Issuance of shares through private placement	72,642	-	-	72,642
Issuance of scrip dividend	7,423	-	(1,547)	5,876
Transactions costs relating to scrip dividend and issuance of shares	(520)	-	-	(520)
Total comprehensive loss for the period	-	-	(8,917)	(8,917)
At 31 December 2021	316,786	(21)	(9,058)	307,707

D. Condensed interim consolidated statement of cash flows

	Group	
	12 months ended	
	31.12.21 Unaudited RM'000	31.12.20 Audited RM'000
Cash flows from operating activities		
(Loss)/Profit before tax	(65,678)	87,288
Adjustments for:		
Depreciation of property, plant and equipment	17,932	13,262
Amortisation of intangible assets	274	218
Finance costs	37,900	31,241
Finance income	(896)	(1,825)
Property, plant and equipment written off	-	33
Impairment loss on property, plant and equipment	-	3,237
(Gain)/Loss on disposal of property, plant and equipment	(151)	28
Share of results of equity-accounted investees	17,160	(61,510)
Gain on disposal of associate	(6,212)	-
Unrealised loss on foreign exchange	152	4
	481	71,976
Changes in:		
- development properties	19,438	(46,732)
- contract costs	(15,188)	1,886
- contract assets	60,561	(60,687)
- trade and other receivables	(22,023)	58,768
- trade and other payables	145,131	(3,298)
- contract liabilities	58,085	(7,679)
Cash generated from operations	246,485	14,234
Tax paid	(17,564)	(7,961)
Net cash generated from operating activities	228,921	6,273
Cash flows from investing activities		
Acquisition of property, plant and equipment	(252,831)	(36,219)
Acquisition of intangible assets	(203)	(525)
Proceeds from sale of property, plant and equipment	173	3
Interest received	896	1,825
Proceeds from sale of associate	6,212	-
Additional investment in associates	(1,697)	(2,580)
Net cash used in investing activities	(247,450)	(37,496)

D. Condensed interim consolidated statement of cash flows (cont'd)

	Group	
	12 months ended	
	31.12.21	31.12.20
	Unaudited	Audited
	RM'000	RM'000
Cash flows from financing activities		
Proceeds from issuance of shares through private placement	-	72,642
Payment of transactions cost relating to scrip dividend and issuance of shares	-	(520)
Changes in fixed deposit pledged	(6,795)	4,346
Proceeds from loans and borrowings	122,069	54,908
Repayment of loans and borrowings	(127,711)	(59,244)
Payment of lease liabilities	(25,377)	(7,307)
Capital contribution by non-controlling interests	3,200	3,000
Issuance of redeemable preference shares to non-controlling interest	12,358	3,556
Advances from non-controlling interests	-	13,160
Dividend paid	-	(2,591)
Interest paid	(25,996)	(27,508)
Net cash (used in)/generated from financing activities	(48,252)	54,442
Net (decrease)/increase in cash and cash equivalents	(66,781)	23,219
Effect of exchange rate changes on cash and cash equivalents	(226)	29
Cash and cash equivalents at 1 January	83,789	60,540
Cash and cash equivalents at 31 December	16,782	83,788

Cash and cash equivalents included in the consolidated statement of cash flows comprises the followings:

	Group	
	31.12.21	31.12.20
	Unaudited	Audited
	RM'000	RM'000
Cash and cash equivalents	26,354	86,565
Less: Fixed deposits pledged to financial institutions	(9,572)	(2,777)
	16,782	83,788

E. Notes to the condensed interim consolidated financial statements

1. Domicile and activities

Aspen (Group) Holdings Limited (the "Company") is incorporated in the Republic of Singapore. The address of the Company's registered office is 80 Robinson Road #02-00 Singapore 068898.

The Company was listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGXST") on 28 July 2017. With effect from 28 January 2021, the Company was transferred to the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST").

The principal activity of the Company is that of investment holding. The Group is principally engaged in (i) property development, (ii) manufacturing of gloves and (iii) restaurants. The immediate and ultimate holding company is Aspen Vision Group Sdn. Bhd., a company incorporated in Malaysia.

The condensed interim financial statements of the Group as at and for the six months and twelve months ended 31 December 2021 comprise the Company and its subsidiaries (together referred to as the "Group") and the Group's interest in equity-accounted investees.

2. Basis of preparation

The unaudited condensed interim financial statements for the six months and twelve months ended 31 December 2021 have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 December 2020.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

On 19 November 2021, the Company announced a change of its financial year end from 31 December to 30 June, to allow the Group to better plan its audit schedule and holding of its Annual General Meetings during the off-peak period, thereby resulting in better cost-savings and operational efficiencies. With the change of financial year end, the financial year ending 30 June 2022 will cover a period of 18 months from 1 January 2021 to 30 June 2022.

These financial statements are presented in Malaysian ringgit ("RM"), which is the Company's functional currency. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

2.1 New and amended standards adopted by the Group

During the current financial period, the Group and the Company have adopted the following amendments to SFRS(I)s which took effect from the financial year beginning 1 January 2021:

- Amendments to SFRS(I) 16 *Covid-19-Related Rent Concessions*

- Amendments to SFRS(I) 9, SFRS(I) 1-39, SFRS(I) 7, SFRS(I) 4 and SFRS(I) 16 *Interest Rate Benchmark Reform – Phase 2*

The adoption of the above amendments to SFRS(I)s did not result in material changes to the Group's accounting policies and is assessed to have no material financial effect on the results and financial position of the Group and of the Company for the current or prior reporting periods. Accordingly, it has no material impact on the earnings per share of the Group and of the Company.

2.2 Use of estimates and judgements

The preparation of the condensed financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2020.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets within the next interim period are included in the following note:

Note 4 – Revenue recognition - Measurement of stage of property development
Note 13 – Fair value of investment properties held by associates

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest). The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 5 – financial instruments
Note 13 – Fair value of investment properties held by associates

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Segment and revenue information

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker ("CODM"). The CODM is responsible for allocating resources and assessing performance of the operating segments. The operating segments were determined based on the reports reviewed by management.

The following summary describes the operations in each of the Group's reportable segments:

Property development	Development of residential and commercial properties
Healthcare	Manufacturing of gloves
Others	Include sales of food and beverages and investment holdings

4.1. Reportable segments

	Property development RM'000	Healthcare RM'000	Others RM'000	Total reportable segment RM'000	Elimination RM'000	Consolidation RM'000
1 July 2021 to 31 December 2021						
External revenue	45,513	12,424	4,463	62,400	-	62,400
Inter-segment revenue	540	-	29,557	30,097	(30,097)	-
Interest income	735	35	13	783	-	783
Interest expenses	(1,412)	(3,058)	(3,145)	(7,615)	2,500	(5,115)
Depreciation and amortisation	(2,235)	(776)	(5,111)	(8,122)	61	(8,061)
Segment profit/(loss) before tax	(19,766)	(18,170)	(5,998)	(43,934)	(2,961)	(46,895)
Share of loss of equity-accounted investees	-	-	(15,958)	(15,958)	-	(15,958)
Reportable segment assets	1,277,111	329,317	1,419,352	3,025,780	(1,296,033)	1,729,747
Equity-accounted investees	-	-	145,309	145,309	(72)	145,237
Capital expenditure	177	96,724	2,872	99,773	(2,151)	97,622
Reportable segment liabilities	1,034,704	239,108	459,372	1,733,184	(581,358)	1,151,826

4.1. Reportable segments (cont'd.)

	Property development RM'000	Healthcare RM'000	Others RM'000	Total reportable segment RM'000	Elimination RM'000	Consolidation RM'000
1 July 2020 to 31 December 2020						
External revenue	170,968	-	3,702	174,670	-	174,670
Inter-segment revenue	135	-	61,813	61,948	(61,948)	-
Interest income	850	-	(94)	756	-	756
Interest expenses	5,339	-	(4,043)	1,296	(650)	646
Depreciation and amortisation	(1,749)	-	(4,875)	(6,624)	62	(6,562)
Segment loss before tax	44,795	-	37,590	82,385	17,109	99,494
Share of profit of equity-accounted investees	-	-	62,057	62,057	-	62,057
Reportable segment assets	1,228,871	-	1,423,402	2,652,273	(1,082,583)	1,569,690
Equity-accounted investees	-	-	147,227	147,227	(71)	147,156
Capital expenditure	415	-	93,612	94,027	71	94,098
Reportable segment liabilities	1,306,085	-	224,489	1,418,329	(476,698)	941,631

4.1. Reportable segments (cont'd.)

	Property development RM'000	Healthcare RM'000	Others RM'000	Total reportable segment RM'000	Elimination RM'000	Consolidation RM'000
1 January 2021 to 31 December 2021						
External revenue	161,642	14,694	8,764	185,100	-	185,100
Inter-segment revenue	853	-	45,431	46,285	(46,285)	-
Interest income	831	35	30	896	-	896
Interest expenses	(2,435)	(3,296)	(6,689)	(12,420)	5,134	(7,286)
Depreciation and amortisation	(4,217)	(1,271)	(9,942)	(15,430)	121	(15,309)
Segment profit/(loss) before tax	(14,260)	(33,229)	(14,810)	(62,299)	(3,379)	(65,678)
Share of loss of equity-accounted investees	-	-	(17,160)	(17,160)	-	(17,160)
Reportable segment assets	1,277,111	329,317	1,419,352	3,025,780	(1,296,033)	1,729,747
Equity-accounted investees	-	-	145,309	145,309	(72)	145,237
Capital expenditure	707	254,520	3,776	259,003	(1,012)	257,991
Reportable segment liabilities	1,034,704	239,108	459,372	1,733,184	(581,358)	1,151,826

4.1. Reportable segments (cont'd.)

	Property development RM'000	Healthcare RM'000	Others RM'000	Total reportable segment RM'000	Elimination RM'000	Consolidation RM'000
1 January 2020 to 31 December 2020						
External revenue	277,218	-	5,614	282,832	-	282,832
Inter-segment revenue	204	-	73,558	73,762	(73,762)	-
Interest income	1,694	-	131	1,825	-	1,825
Interest expenses	(2,908)	-	(8,320)	(11,228)	8,126	(3,102)
Depreciation and amortisation	(4,761)	-	(8,841)	(13,602)	122	(13,480)
Segment loss before tax	41,963	-	20,168	62,131	25,157	87,288
Share of profit of equity-accounted investees	-	-	61,510	61,510	-	61,510
Reportable segment assets	1,228,871	-	1,423,402	2,652,273	(1,082,583)	1,569,690
Equity-accounted investees	-	-	147,227	147,227	(71)	147,156
Capital expenditure	428	-	94,102	94,530	-	94,530
Reportable segment liabilities	1,306,085	-	224,489	1,418,329	(476,698)	941,631

4.2 Disaggregation of revenue

Segment revenue is disaggregated into geographical location and timing of recognition.

	Group				Group			
	1 July 2021 to 31 December 2021				1 July 2020 to 31 December 2020			
	Property development RM'000	Healthcare RM'000	Others RM'000	Total RM'000	Property development RM'000	Healthcare RM'000	Others RM'000	Total RM'000
Geographical location								
Malaysia	45,513	12,424	-	57,937	170,968	-	-	170,968
Singapore	-	-	4,463	4,463	-	-	3,702	3,702
	45,513	12,424	4,463	62,400	170,968	-	3,702	174,670
Timing of recognition								
Over time (properties under development)	40,071	-	-	40,071	107,252	-	-	107,252
At a point in time (mainly completed units)	5,442	-	-	5,442	63,716	-	-	63,716
Sale of food and beverages	-	-	4,463	4,463	-	-	3,702	3,702
Sale of gloves	-	12,424	-	12,424	-	-	-	-
	45,513	12,424	4,463	62,400	170,968	-	3,702	174,670

4.2 Disaggregation of revenue (cont'd)

	Group				Group			
	1 January 2021 to 31 December 2021				1 January 2020 to 31 December 2020			
	Property development RM'000	Healthcare RM'000	Others RM'000	Total RM'000	Property development RM'000	Healthcare RM'000	Others RM'000	Total RM'000
Geographical location								
Malaysia	161,642	14,694	-	176,336	277,218	-	-	277,218
Singapore	-	-	8,764	8,764	-	-	5,614	5,614
	161,642	14,694	8,764	185,100	277,218	-	5,614	282,832
Timing of recognition								
Over time (properties under development)	119,099	-	-	119,099	203,344	-	-	203,344
At a point in time (mainly completed units)	42,543	-	-	42,543	73,874	-	-	73,874
Sale of food and beverages	-	-	8,764	8,764	-	-	5,614	5,614
Sale of gloves	-	14,694	-	14,694	-	-	-	-
	161,642	14,694	8,764	185,100	277,218	-	5,614	282,832

5. Financial assets and financial liabilities

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are set out below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount			Fair value			
	Amortised costs RM'000	Other financial liabilities RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group							
31 December 2021							
Financial assets not measured at fair value							
Redeemable preference shares – associates	69,075	-	69,075	-	-	79,478	79,478
Trade and other receivables*	78,577	-	78,577				
Deposit	1,155	-	1,155	-	1,073	-	1,073
Cash and cash equivalents	26,354	-	26,354				
	175,161	-	175,161				
Financial liabilities not measured at fair value							
Trade and other payables^	-	(571,308)	(571,308)				
Loans and borrowings							
- Term loans and bridging loans	-	(343,517)	(343,517)	-	(375,891)	-	(375,891)
- Revolving credit	-	(40,129)	(40,129)	-	(40,129)	-	(40,129)
- Redeemable preference shares	-	(38,140)	(38,140)	-	-	(41,792)	(41,792)
- Convertible loan	-	(4,165)	(4,165)	-	-	(4,165)	(4,165)
	-	(997,259)	(997,259)				

* Excluding prepayments and non-current deposits.

^ Excluding booking fee received and provision for reinstatement costs.

5. **Financial assets and financial liabilities (cont'd.)**

	Carrying amount			Fair value			
	Amortised costs RM'000	Other financial liabilities RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group							
31 December 2020							
Financial assets not measured at fair value							
Redeemable preference shares – associates	53,835	-	53,835	-	-	55,510	55,510
Trade and other receivables*	65,506	-	65,506				
Deposit	913	-	913	-	883	-	883
Cash and cash equivalents	86,565	-	86,565				
	206,819	-	206,819				
Financial liabilities not measured at fair value							
Trade and other payables^	-	(428,474)	(428,474)	-	-	(429,717)	(429,717)
Loans and borrowings							
- Term loans and bridging loans	-	(356,352)	(356,352)	-	(362,013)	-	(362,013)
- Revolving credit	-	(9,203)	(9,203)	-	(9,203)	-	(9,203)
- Redeemable preference shares	-	(38,140)	(38,140)	-	-	(41,467)	(41,467)
- Convertible loan	-	(28,091)	(28,091)	-	-	(28,091)	(28,091)
	-	(860,260)	(860,260)				

* Excluding prepayments and non-current deposits.

^ Excluding booking fee received and provision for reinstatement costs.

5. **Financial assets and financial liabilities (cont'd.)**

	Carrying amount			Fair value			
	Amortised costs RM'000	Other financial liabilities RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Company							
31 December 2021							
Financial assets not measured at fair value							
Trade and other receivables*	87,141	-	87,141				
Cash and cash equivalents	100	-	100				
	87,241	-	87,241				
Financial liabilities not measured at fair value							
Trade and other payables	-	(3,836)	(3,836)				
Convertible loan	-	(4,165)	(4,165)	-	-	(4,165)	(4,165)
	-	(8,001)	(8,001)				
Company							
31 December 2020							
Financial assets not measured at fair value							
Trade and other receivables*	91,472	-	91,472				
Cash and cash equivalents	29,148	-	29,148				
	120,620	-	120,620				
Financial liabilities not measured at fair value							
Trade and other payables	-	(2,792)	(2,792)				
Convertible loan	-	(28,091)	(28,091)	-	-	(28,091)	(28,091)
	-	(30,883)	(30,883)				

* Excluding prepayments.

6. (Loss)/Profit before taxation

6.1. Significant items

The following items have been included in arriving at profit before tax for the six months and twelve months ended:

	Group		Group	
	6 months ended		12 months ended	
	31.12.21 RM'000	31.12.20 RM'000	31.12.21 RM'000	31.12.20 RM'000
Audit fees paid to:				
- Auditors of the Company	542	344	602	380
- Other member firms of the auditors	109	160	146	177
Non-audit fees paid to other member firms of auditors				15
Depreciation of property, plant and equipment	10,793	6,352	17,932	13,262
Amortisation of intangible asset	165	210	274	218
Impairment loss on property, plant and equipment	-	3,237	-	3,237
(Gain)/Loss on disposal of property, plant and equipment	(151)	28	(151)	28
Property, plant and equipment written off	-	33	-	33
Government grant income	(885)	(500)	(1,042)	(626)
Gain on disposal of associate	6,212	-	6,212	-
Employee benefit expense*:				
Salaries, bonus and other costs	11,670	7,441	21,732	14,581
Contributions to defined contribution plans	1,229	852	2,306	1,717

* Employee benefit expense excluding directors' remuneration.

6.2. Related party transactions

Transactions with key management personnel comprised:

	Group		Group	
	6 months ended		12 months ended	
	31.12.21 RM'000	31.12.20 RM'000	31.12.21 RM'000	31.12.20 RM'000
Progress billings				
Key management personnel	-	141	281	253
Companies in which directors and key management personnel have substantial interests	-	267	264	267
	-	408	545	520

7. Taxation

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group		Group	
	6 months ended		12 months ended	
	31.12.21 RM'000	31.12.20 RM'000	31.12.21 RM'000	31.12.20 RM'000
Current income tax expense	40,426	13,205	41,900	13,560
Deferred tax expense				
Origination and reversal of temporary differences	(29,100)	623	(28,885)	1,104
Changes in estimates related to prior years	292	(3,172)	292	(3,172)
	(28,808)	(2,549)	(28,593)	(2,068)
Total tax expense	11,618	10,656	13,307	11,492

8. Dividends

No dividend was paid for the current financial period reported on.

On 21 January 2020, 19,699,494 ordinary shares were issued and allotted at an issue price of SGD0.124 per share to entitled shareholders who had elected to participate in the Aspen Group Scrip Dividend Scheme in respect of the dividend for the third quarter ended 30 September 2019.

9. Earnings per share

	Group		Group	
	6 months ended		12 months ended	
	31.12.21	31.12.20	31.12.21	31.12.20
(Loss)/Profit attributable to equity holders of the Company (RM'000)	(59,396)	85,386	(75,565)	72,731
Weighted average number of ordinary shares ('000)[1]	1,083,270	996,401	1,083,270	996,401
Basic and diluted earnings per share ("EPS") (RM cents) [2]	(5.48)	8.57	(6.98)	7.30

Notes:

1) EPS have been computed based on the weighted average share capital of 1,083,269,594 shares and 996,400,769 shares for the respective six months and twelve months ended 31 December 2021 and 31 December 2020.

2) The diluted earnings per share for six months and twelve months ended 31 December 2021 and 31 December 2020 is the same as the basic earnings per share assuming that no potential ordinary shares are to be issued under the Convertible Loan (where up to 50% of the loan is convertible into ordinary shares at SGD 0.35 per share at the option of the lender in one or multiple tranches at any time during the loan tenure) as the conversion price is higher than the prevailing market price as at 31 December 2021 and 31 December 2020.

10. Net asset value

	Group		Company	
	31.12.21	**31.12.20**	**31.12.21**	**31.12.20**
Net asset value (RM'000)	490,847	566,283	302,872	307,707
Number of ordinary shares in issue ('000)	1,083,270	1,083,270	1,083,270	1,083,270
Net asset value per ordinary share (RM cents)	45.31	52.28	27.96	28.41

11. Property, plant and equipment

During the twelve months ended 31 December 2021, the Group acquired assets amounting to RM214,633,000 (31 December 2020: RM35,787,000) and disposed of assets amounting to RM669,000 (31 December 2020: RM57,000).

12. Intangible assets

	Group RM'000
Cost	
At 1 January 2021	2,031
Additions	203
Effect of movement in exchange rate	36
At 31 December 2021	2,270
Accumulated Amortisation	
At 1 January 2021	224
Amortisation charge	261
Effect of movement in exchange rate	4
At 31 December 2021	489
Carrying amounts at 31 December 2021	1,781
At 31 December 2020	
Cost	2,031
Accumulated amortisation	(224)
Carrying amount	1,807

Amortisation

The amortisation of franchise license is included in 'administrative expenses'.

13. Associates

	Group	
	31.12.21	31.12.20
	RM'000	RM'000
Interest in associates	76,162	93,321
Redeemable preference shares	69,075	53,835
	145,237	147,156

Total assets of associates include investment properties held to earn rental income or for capital appreciation or both. Investment properties also include property that is being constructed or developed for future use.

Investment properties of associates are leased to non-related parties under operating leases.

On 29 November 2021, the Group had announced that the indirect subsidiary, Aspen Vision Land Sdn. Bhd. has on 29 November 2021 entered into a sale and purchase agreement with Ikano Pte. Ltd. for the sale of its entire shareholding of 30% of the issued and paid-up share capital in Bandar Cassia Properties (SC) Sdn. Bhd.. Under Rule 1014 of the Listing Manual, the sale of shares is subject to the approval of the shareholders of the Group by way of an ordinary resolution. The Company obtained the Shareholders' approval for the sale of shares at an extraordinary general meeting convened on 8 February 2022.

13.1 Valuation of investment properties of associates

The Group's policy is for an investment property to be measured at fair value for which the Group appoints independent registered valuers to undertake property valuations at least annually at the end of the financial year.

At the reporting date, the valuation of one of the investment properties of associate was based on the direct comparison method as the property is still under development.

Whereas for another investment properties of associate, the Group did not engage an independent valuer to determine the fair value of the investment properties as at 31 December 2021. However, the Management had taken into consideration those underlying factors that would have an impact on the fair value of the investment properties since the last valuations were completed in December 2020 and concluded that there are no major aspects that could affect the fair value of the investment properties as at 31 December 2021.

The fair value measurement for the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (see Note 2.2).

14. Borrowings

	Group	
	31.12.21 RM'000	31.12.20 RM'000
Amount repayable in one year or less, or on demand		
Secured	148,137	160,692
Unsecured	-	-
Amount repayable after one year		
Secured	285,449	297,550
Unsecured	38,140	38,140

The loans and borrowings are secured over the freehold land, fixed and floating charges over certain subsidiaries' present and future assets, fixed deposits placed by the subsidiaries, corporate guarantees by subsidiaries, pledge of shares held by the holding company, deed of assignment of benefits of certain contract proceeds, and joint and several guarantees by certain directors of the subsidiaries.

15. Share capital

	Company			
	31.12.21		31.12.20	
	Number of shares '000	Amount RM'000	Number of shares '000	Amount RM'000
Beginning of interim period (excluding treasury shares)	1,083,270	316,786	983,270	244,570
Add: Share placement	-	-	100,000	72,642
Transaction costs	-	-	-	(426)
End of interim period (excluding treasury shares)	1,083,270	316,786	1,083,270	316,786

Treasury Shares

The Company had 47,800 treasury shares as at 31 December 2021 and 31 December 2020. The treasury shares held constitute 0.004% and 0.004% of the total number of ordinary shares outstanding as at 31 December 2021 and 31 December 2020 respectively.

There were no sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Outstanding Convertibles

As at 31 December 2021, the Company has a convertible loan due of an aggregate amount of USD1,000,000 (31 December 2020: USD7,000,000) ("Convertible Loan"), of which 50% of the Convertible Loan may be converted to approximately 1,917,714 (31 December 2020: 13,424,000) new fully paid ordinary shares of the Company based on a fixed conversion price of S$0.35 per share (assuming an exchange rate of US$1: S$1.3424). Further details on this Convertible Loan can be found in the Company's SGXNET announcement dated 20 May 2018. Save for the Convertible Loan, the Company did not have any other outstanding options and convertibles as at 31 December 2021 and 31 December 2020.

There were no subsidiary holdings as at 31 December 2021 and 31 December 2020. As such, there is no sales, transfer, cancellation and/or use of subsidiary holdings as at 31 December 2021.

As at the date of this announcement, the Group had fully repaid the convertible loan hence no more outstanding convertibles loan as at the date of this announcement.

Scrip Dividend Scheme

On 21 January 2020, the Company had issued and allotted 19,699,494 new ordinary shares in the capital of the Company at an issue price of S$0.1240 per new share to entitled shareholders who had elected to participate in the Aspen Group Scrip Dividend Scheme in respect of the dividend for the third quarter ended 30 September 2019. Further details on this Scrip Dividend Scheme can be found in the Company's SGXNET announcements dated 18 November 2019 and 20 January 2020.

Private Placement

On 18 November 2020, placement of up to 100,000,000 new ordinary shares in the capital of the Company at the issue price of S$0.238 for each Placement Share was completed. Further details on this Placement can be found in the Company's SGXNET announcements dated 18 November 2020.

16. Subsequent events

There are no known subsequent events that have led to adjustments to this set of interim financial statements.

F. Other information required by Listing Rule Appendix 7.2

1. Review

The condensed consolidated statement of financial position of Aspen (Group) Holdings Limited and its subsidiaries as at 31 December 2021 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six months and twelve months period then ended and certain explanatory notes have not been audited or reviewed.

1.1 Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion (this is not required for any audit issue that is a material uncertainty relating to going concern)

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

2. Review of the performance of the Group

<u>Consolidated Statement of Comprehensive Income</u>

The Group recorded a revenue of RM62.4 million and a gross profit of RM4.3 million for second half of 2021, representing a decrease of 64% and 93% respectively as compared to second half of 2020. The Group's revenue was primarily contributed by the property development segment from progressive construction of Beacon Executive Suites, Vivo Executive Apartment and Viluxe Phase 1 projects and sale of completed projects. The decline of revenue in the property development segment is due to a lower take up rate in the Group's property and slower construction progress due to the covid-19 pandemic. As for the healthcare segment, ongoing global supply chain challenges, higher shipping and logistics costs, prolonged shipping delays, higher production and energy costs, lower capacity utilisation rate and continuous decline in the average selling prices (ASP) of gloves had impacted the performance of healthcare segment. The revenue recorded by the healthcare segment was RM12.4 million which represents 20% of the Group's revenue. The decline in cost of sales is in tandem with the decline in revenue.

The Group's results from operating activities recorded a loss of RM26.6 million compared to RM36.0 million profit as recorded in the second half of 2020. The loss is mainly attributed to a lower gross profit due to the healthcare segment has not operating at its optimum level of operation to achieve cost efficiency at its infant stage of operation. This was offset against the gain on disposal of an associate amounting to RM6.2 million which is included in other income. Further, finance cost has increased by RM5.8 million mainly due to the new borrowing obtained to finance capital expenditure for the newly set-up healthcare segment. The Group also shared the loss from results of equity-accounted investees including an impairment loss on the investment property held by the associate.

As a result of the above, the Group recorded a loss for the period.

Consolidated Statement of Financial Position

Non-current assets

The Group's non-current assets increased by RM213.9 million from RM785.8 million as at 31 December 2020 to RM999.7 million as at 31 December 2021, mainly due to the acquisition of property, plant and equipment in the healthcare segment amounting to RM213.8 million and an increase of RM28.2 million in deferred tax assets derived from the tax liabilities (which is allowed to be treated and claimable as a tax credit for past, current and future projects together with unsold inventory on hand) and offset by the decrease in trade and other receivables mainly due to capitalisation of advances to associate into equity and depreciation of property, plant and equipment amounting to RM10.8 million.

Current assets

The Group's current assets decreased by RM53.8 million from RM783.8 million as at 31 December 2020 to RM730.0 million as at 31 December 2021, primarily due to the decrease in cash and cash equivalents of RM60.2 million which was mainly utilised for capital expenditure and repayment of borrowings and decrease in contract assets amounting to RM60.6 million due to the increase in progress billings for Vertu Resort project and Beacon Executive Suites. This was offset by an increase in development properties and contract costs by RM1.6 million and RM15.2 million respectively arising from the ongoing projects and an increase in trade and other receivables of RM31.0 million was mainly due to progress billings to purchasers yet to be collected.

Current liabilities

The Group's current liabilities increased by RM205.4 million primarily due to the increase in trade and other payables of RM153.2 million arising from the construction of glove manufacturing plant and the increase in contract liabilities by RM58.1 million mainly for Vertu Resort project.

Non-current liabilities

On 5 October 2021, the subsidiaries of the Group had entered into composite agreements with the Inland Revenue Board of Malaysia (IRBM) where a partial balance of tax payable amounting to RM34.9 million will be settled via instalment payment over the next 5 years. This resulted in an increase of RM27.4 million in tax liabilities. Further, loans and borrowings have decreased by RM12.1 million primarily arising from new loans and borrowings and offset by re-classification of loans and borrowings due within one year to current liabilities. The decrease in trade and other payables is mainly due to capitalisation of advances from non-controlling interest into equity.

Equity

The increase in non-controlling interests from RM61.8 million to RM87.1 million is mainly due to the capital contribution by non-controlling interest.

The Group reported a positive working capital of RM54.2 million as at 31 December 2021.

Consolidated Statement of Cash Flows

The Group recorded net cash generated from operating activities of RM228.9 million for twelve months ended 31 December 2021, which comprised operating cash inflows after working capital changes of RM246.5 million and tax payments of RM17.6 million. The net cash inflow from operations was mainly due to the increase in trade and other payables, contract liabilities and development properties.

Net cash used in investing activities amounted to RM247.5 million, which was mainly for the acquisition of property, plant and equipment for the healthcare segment.

Net cash outflow from financing activities amounted to RM48.2 million being repayment of loans and borrowings and lease liabilities of RM153.1 million, increase fixed deposit under pledge amounting to RM6.8 million, and interest cost paid to financial institution RM26.0 million. This was offset by proceeds from loans and borrowings of RM122.1 million, capital contribution and advance from non-controlling interest amounted to RM15.6 million in total.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

In the unaudited consolidated financial statements of the Group for the period ended 30 June 2021 (the "Announcement"), it was stated that the Group targets to launch the second phase of Viluxe at Aspen Vision City, Batu Kawan in the second half of FY2021. However, given the continued fluidity of the Covid-19 situation globally and Malaysia's perceived political instability, the Group will take a cautious approach to delay this project launch.

It was also stated in the Announcement that the Group expects Aspen Glove Sdn. Bhd. ("AGSB") to commence production of Phase 1(b) from Q4 2021 and Phase 2 is expected to commence in stages from Q3 2022. Further, it was also stated that the Group expects AGSB to be able to generate consistent revenue and make a positive contribution towards the Group's financial results for the second half of 2021. However, AGSB was impacted by the ongoing global supply chain challenges, higher shipping and logistics costs, prolonged shipping delays, higher production and energy costs, lower capacity utilisation rate and continuous decline in the ASP of gloves. Due to these ongoing challenges, only 90% of AGSB's Phase 1(b) has been completed. In tandem with the faster than expected drop in ASP of gloves, higher operating costs and constraints on delivery and quality aspects of the supply chain, AGSB will delay the operationalisation of Phase 1(b) and its expansion plans under Phase 2.

It was further stated in the Announcement that the Group will open one new Kanada-Ya outlet in Singapore in 2021. This prospect statement has been met as the Group opened its fifth Kanada-Ya outlet at Century Square, Tampines, Singapore in September 2021.

The Company has issued a profit guidance whereby the Group is expected to report a consolidated net loss in respect of the half year ended 31 December 2021 which was announced on 28 January 2022. The Group's financial results for the half year ended 31 December 2021 is in line with the profit guidance.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the Group operates and any known factors or events that may affect the Group in the next operating period and the next 12 months

Property Development Sector

Bank Negara Malaysia has reiterated that the Malaysian economy will expand between 5.5% and 6.5% in 2022, underpinned by continued expansion in global demand and higher private sector expenditure[1]. The property market in Malaysia is expected to see moderate growth, in tandem with

[1] https://www.theedgemarkets.com/article/bnm-announce-2022-growth-forecast-march

the expected recovery of the global economy. However, roadblocks that may derail the expected growth are political instability, supply chain disruptions, supply constriction, inflated shipping and logistics costs, the rising cost of raw materials, higher energy cost and commodity prices, weak domestic currency and shortage of labour [2].

With Malaysia moving into Phase 4 of the National Recovery Plan, it will lead to greater economic stability, decline in unemployment rate, increase in export, increase in both business and consumer confidence. This will ultimately create a conducive environment for many to revive homeownership plans or aspirations to upgrade their lifestyles or snap up properties while interest rates are attractive. Hence, the Group is cautiously confident that demand will increase and stabilise the property market in 2022.

Healthcare Sector

Although AGSB started to record revenue from end-May 2021 onwards, it was significantly impacted by the ongoing global supply chain challenges, higher shipping and logistics costs, prolonged shipping delays, higher production and energy costs, lower capacity utilisation rate and continuous decline in the ASP of gloves.

With ASPs of gloves declining faster than raw material price coupled with higher operating costs margins for the glove makers are expected to compress further. The impending price war arising from Chinese glove makers attempting to win market share could also exacerbate the situation further[3]. Hence, glove prices are expected to normalise by the first half of 2022 and may return to the cost-plus basis model[4].

Amidst the falling ASPs, glove buyers have refrained from stocking up on gloves to avoid locking in purchases at high prices. However, with glove prices slowly approaching pre-Covid levels, the restocking activities could gradually resume[5].

Despite AGSB managing to secure additional sales of gloves in January 2022, AGSB's expansion plans will be adjusted based on actual demand and orders collected. In light of the challenging business landscape, AGSB will also optimise its operational productivity, enhance cost efficiency and upgrade product quality to strengthen AGSB's brand.

Food and beverage ("F&B") sector

Based on the Advance Estimates released by the Ministry of Trade and Industry on 3 January 2022, the Singapore economy grew by 2.6% on a quarter-on-quarter, seasonally-adjusted basis in Q4 2021, stronger than the 1.2% expansion in Q3 2021. Barring fresh disruptions, the 2022 gross domestic product (GDP) growth forecast remains unchanged at 3–5%[6].

Monetary Authority of Singapore (MAS) core inflation stepped up from October 2021 to December 2021. Energy prices have risen further while imported food inflation remains elevated due to regional

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[2] https://www.theedgemarkets.com/article/cbre-wtw-cautiously-optimistic-about-moderate-growth-2022s-property-market
[3] https://www.nst.com.my/business/2021/12/756169/glove-asps-continue-decline-1h-2022-says-hlib-research
[4] https://www.thesundaily.my/home/glove-makers-face-increased-competition-normalising-profitability-GB8740080
[5] https://www.nst.com.my/business/2021/12/756169/glove-asps-continue-decline-1h-2022-says-hlib-research
[6] https://www.mas.gov.sg/news/monetary-policy-statements/2022/mas-monetary-policy-statement-25jan22#:~:text=10.,range%20of%201.5%E2%80%932.5%25.

supply disruptions. The domestic labour market has tightened, with the resident unemployment rate now close to its pre-pandemic level and wage growth above its historical average. Against this backdrop, price increases across a broad range of goods and services have been stronger than forecast[7].

To provide a safe environment for customers and workers, the Group's Kanada-Ya outlets currently in operation are implementing the Safe Management Measures (SMMs), as required by the Ministry of Manpower (MOM) and comply with the COVID-19 (Temporary Measures) (Control Order) Regulation 2020. This includes regular routine testing requirements of workers to minimise operational disruptions as Covid-19 cases surge in Singapore due to the Omicron variant which is highly transmissible.

Prevailing Covid-19 restrictions at food and beverage establishments only permit groups of up to five people continue to apply. Hence, the Group's five existing outlets are still opening at reduced capacity. Accordingly, the Group will continue to leverage on social media and online platforms to boost the Kanada-Ya brand across Singapore and monitor the Covid-19 developments closely to make operational changes if necessary.

Overall, the challenge is still uncertain as the Omicron variant remains a major downside risk for Malaysia and Singapore. Hence, the Group will exercise prudence and caution in evaluating opportunities to navigate through the current fluid environment.

5. Use of disbursement from Convertible Loan

The Company refers to the disbursement amounting to USD$10.89 million (excluding arranger fee of USD$0.11 million) from the acceptance of a Convertible Loan from Haitong International Financial Products (Singapore) Pte. Ltd. ("Lender") as announced on 20 May 2018 and 19 October 2018.

On 9 June 2021, the Company had obtained a letter of agreement from the Lender to extend the loan tenure to 19 August 2021 subject to the loan being reduced to USD6.0 million ("Reduced Loan"), upon the terms and conditions of the letter of agreement. The Reduced Loan shall only be used for financing of investment in Global Vision Logistics Sdn. Bhd. for the development of a logistics hub in Shah Alam.

On 17 January 2022, the Group had fully repaid in cash the convertible loan of an aggregate amount of USD$11.0 million.

As at the date of this announcement, the status on the use of disbursements from the Convertible Loan is as follows:

Use of Net Disbursement from Convertible Loan	**Amount allocated USD$'000**	**Amount utilised USD$'000**	**Balance USD$'000**
Investment in Global Vision Logistics Sdn. Bhd.	5,445	(1,395)[(1)]	4,050
Construction of Central Park	3,267	(3,267)[(2)]	-
Investment in Bandar Cassia Properties (SC) Sdn. Bhd.	2,178	(2,178)[(3)]	-
Total	10,890	(6,840)	4,050

[7] https://www.mas.gov.sg/news/monetary-policy-statements/2022/mas-monetary-policy-statement-25jan22#:~:text=10.,range%20of%201.5%E2%80%932.5%25.

Notes:

(1) USD$1.40 million utilised for investment in Global Vision Logistics Sdn. Bhd. which intends to develop a sustainable integrated logistics and warehousing hub as announced on 13 June 2018.

(2) USD$3.27 million utilised for the construction of Central Park located in Aspen Vision City.

(3) USD$2.18 million utilised for investment in Bandar Cassia Properties (SC) Sdn. Bhd. which intends to construct the Regional Integrated Shopping Centre.

(4) The exchange rate as at 28 January 2019 of RM4.1080: USD$1.00 is used for the above compilation.

The above utilisations are in accordance with the intended use of the proceeds from the Convertible Loan and percentage allocated, as stated in the announcement dated 20 May 2018 and supplemental deed dated 27 October 2020.

6. Dividend

(a) Current Financial Period Reported On:
Any dividend declared for the current financial period reported on?

No dividend was declared for the current financial period reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year:
Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Whether the dividend is before tax, net of tax or tax exempt.

Not applicable.

(d) Date payable:

Not applicable.

(e) Books closure date:

Not applicable.

6.1 If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision

No dividend has been declared or recommended as the management plans to conserve cash in this soft property market. The Board may declare the payment of dividends when the market conditions improve and are more favourable.

7. Interested person transactions ("IPT")

The Group does not have an existing general mandate from shareholders for IPT. There are no IPTs during the financial period under review.

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers pursuant to Rule 720(1).

9. Disclosure of acquisition (including incorporations) and sale of shares under Mainboard Rule 706A.

The Company had proposed to sell shares of an associate during the six months ended 31 December 2021:

No.	Associate	Date of announcement	Announcement Reference
1.	Delivereat Sdn. Bhd	NA	NA
2.	Bandar Cassia Properties (SC) Sdn. Bhd.	29 November 2021 8 February 2022	SG211129OTHR6T17 SG220117XMETOB6W

On 16 August 2021, the Company's wholly-owned subsidiary, Aspen Vision All Sdn. Bhd. ("AVA"), together with other shareholders of Delivereat Sdn. Bhd. ("Delivereat"), entered into a Share Purchase Agreement ("SPA") in relation to the disposal of the entire issued share capital of Delivereat to Teleport Everywhere Pte. Ltd. Pursuant to the SPA, AVA disposed of 138,750 Series A Preference shares representing 25% of the share capital of Delivereat for a cash consideration of US$2,119,733 (equivalent to RM8,712,102.63 based on the exchange rate of US$ 1: RM4.11) (the "Disposal"). Based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2020, none of the relative figures in respect of the Disposal, computed on the applicable bases set out in Rule 1006 of the Listing Manual of SGX-ST exceed 5% and the Disposal is therefore considered a non-disclosable transaction as defined under Chapter 10 of the Listing Manual.

Another sale of shares' details of the above can be found in the Company's announcement released on the date as stated above.

There were no acquisitions and realisation of shares during the six months ended 31 December 2021.

10. Confirmation by the Board pursuant to Rule 705 (5) of the Listing Manual

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the condensed interim financial statements for the six months and twelve months ended 31 December 2021 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Dato' Seri Nazir Ariff Bin Mushir Ariff
Executive Director

Dato' Murly Manokharan
President & Group Chief Executive Officer

11 February 2022