

ASPEN (GROUP) HOLDINGS LIMITED

(the "Company")
(Company Registration No.: 201634750K)
(Incorporated in the Republic of Singapore)

MINUTES OF EXTRAORDINARY GENERAL MEETING

MINUTES of the Extraordinary General Meeting (the "EGM" or "Meeting") of Aspen (Group) Holdings Limited (the "Company") held at RELC International Hotel, Tanglin 1, Level 1, 30 Orange Grove Road, Singapore 258352 on Monday, 15 July 2024 at 1:00 p.m. (Singapore time)

PRESENT

Board of Directors

Mr. Cheah Teik Seng (Chairman and Independent Non-Executive Director)
Dato' Murly Manokharan (President and Group Chief Executive Officer)
Dato' Seri Nazir Ariff bin Mushir Ariff (Executive Deputy Chairman)
Ir. Anilarasu Amaranazan (Group Managing Director)
Dr. Lim Su Kiat (Non-Independent Non-Executive Director)
Dato' Alan Teo Kwong Chia (Independent Non-Executive Director)
Dato' Choong Khuat Seng (Independent Non-Executive Director)
Mr. Lee Chee Seng (Independent Non-Executive Director)
Mr. Lim Kian Thong (Independent Non-Executive Director)

Chief Financial Officer

Mr. Lim Soo Aun

IN ATTENDANCE

As set out in the attendance list maintained by the Company.

PERSONAL DATA PRIVACY

Due to the restriction on the use of personal data pursuant to the provisions of the Personal Data Protection Act 2012, the names of the shareholders and proxies present at the EGM will not be published in these minutes.

CHAIRMAN

Mr. Cheah Teik Seng, the Chairman of the Meeting and Board of Directors ("Chairman"), welcomed the shareholders for their attendance. The Chairman introduced the Board members and Chief Financial Officer to the shareholders present at the EGM.

QUORUM

With the requisite quorum being present, the Chairman declared the Meeting to order at 1:00 p.m.

NOTICE

The notice of the Meeting, having been circulated to the shareholders of the Company for the requisite period was, with the concurrence of the Meeting, taken as read.

RESPONSES TO SUBSTANTIAL AND RELEVANT QUESTIONS

The Chairman informed the Meeting that the Company did not receive questions in advance relating to the resolutions to be tabled at this EGM from its shareholders, other than the questions received from the Securities Investors Association (Singapore) (SIAS), which the Company had addressed and the responses were published on the SGXNet on 12 July 2024.

POLL VOTING PROCEDURES

The Chairman further informed that the voting on the proposed resolutions tabled at the EGM would be conducted by way of poll. Tricor Singapore Pte. Ltd. had been appointed as the Poll Counting Agent and Entrust Advisory Pte. Ltd. had been appointed as the Company's Independent Scrutineer to check on the validity of the proxy forms and verify the voting results taken at the Meeting.

In order to facilitate the conduct of the Meeting, the poll was conducted after all the proposed resolutions at this Meeting had been proposed and seconded.

The Chairman then invited the shareholders to raise any questions that they might have. The summary of questions raised by shareholders and the replies provided by the Chairman and President and Group Chief Executive Officer are recorded in Appendix A.

The Chairman proceeded with the agenda of the Meeting.

All the motions were then duly proposed and seconded by the shareholders of the Company. An explanation of the procedures for completion of the poll voting slips was given at the Meeting. Voting by poll on the resolutions proposed in this Meeting was taken.

After the poll voting slips were handed over to the Poll Counting Agent, the Meeting was adjourned at 1:40 p.m. while the Poll Counting Agent counted the votes accordingly.

The Meeting was resumed at 1:50 p.m., the Chairman received the duly verified poll results from the Scrutineer presented to the shareholders the results of the poll as follows:

ORDINARY RESOLUTION 1 RATIFICATION OF THE DEED OF MUTUAL TERMINATION

The Chairman proposed the motion to approve the Ratification of the Deed of Mutual Termination as set out in the Notice of EGM and the Circular to Shareholders dated 28 June 2024.

The results of the votes cast for the Ordinary Resolution 1 were as follows:

	Total Votes	Percentage
For the Resolution	576,167,786	99.9805%
Against the Resolution	112,382	0.0195%
	576,280,168	100%

Based on the results of the poll, the Chairman declared the following motion was carried by a majority vote.

“RESOLVED THAT:

- (a) *The Deed of Mutual Termination and all other transactions in relation thereto being aggregated a major transaction for the purposes of Chapter 10 of the Listing Manual of the SGX-ST, be hereby approved, confirmed and ratified;*
- (b) *Any acts and things done or performed, and/or any agreements and documents signed, executed, sealed and/or delivered by a Director in connection with this resolution and the Deed of Mutual Termination be and are hereby approved, confirmed and ratified.”*

**ORDINARY RESOLUTION 2
APPROVAL FOR THE SUBSCRIPTION CUM SHAREHOLDERS’ AGREEMENT**

The Chairman proposed the motion to approve the Subscription Cum Shareholders’ Agreement as set out in the Notice of EGM and the Circular to Shareholders dated 28 June 2024.

The results of the votes cast for the Ordinary Resolution 2 were as follows:

	Total Votes	Percentage
For the Resolution	576,167,786	99.9805%
Against the Resolution	112,382	0.0195%
	576,280,168	100%

Based on the results of the poll, the Chairman declared the following motion was carried by a majority vote.

“RESOLVED THAT:

- (a) *Approval be and is hereby given to the Company for the Subscription Cum Shareholders’ Agreement and all transactions in relation thereto being aggregated a major transaction for the purposes of Chapter 10 of the Listing Manual of the SGX-ST;*
- (b) *Any Director be and is hereby authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Subscription Cum Shareholders’ Agreement, with full power to assent to any condition, amendment, alteration, modification or variation as may be required by the relevant authorities or as such Directors or any of them may deem fit or expedient or to give effect to this resolution or the transactions contemplated pursuant to or in connection with the Subscription Cum Shareholders’ Agreement; and*
- (c) *Any acts and things done or performed, and/or any agreements and documents signed, executed, sealed, and/or delivered by a Director in connection with this resolution and the Subscription Cum Shareholders’ Agreement be and are hereby approved, confirmed, and ratified.”*

**ORDINARY RESOLUTION 3
APPROVAL FOR THE LEASE AGREEMENT**

The Chairman proposed the motion to approve the Lease Agreement as set out in the Notice of EGM and the Circular to Shareholders dated 28 June 2024.

The results of the votes cast for the Ordinary Resolution 3 were as follows:

	Total Votes	Percentage
For the Resolution	576,167,786	99.9805%
Against the Resolution	112,382	0.0195%
	576,280,168	100%

Based on the results of the poll, the Chairman declared the following motion was carried by a majority vote.

“RESOLVED THAT:

- (a) Approval be and is hereby given to the Company for the Lease Agreement and all transactions in relation thereto being aggregated a major transaction for the purposes of Chapter 10 of the Listing Manual of the SGX-ST;**
- (b) Any Director be and is hereby authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Lease Agreement, with full power to assent to any condition, amendment, alteration, modification or variation as may be required by the relevant authorities or as such Directors or any of them may deem fit or expedient or to give effect to this resolution or the transactions contemplated pursuant to or in connection with the Lease Agreement; and**
- (c) Any acts and things done or performed, and/or any agreements and documents signed, executed, sealed and/or delivered by a Director in connection with this resolution and the Lease Agreement be and are hereby approved, confirmed, and ratified.”**

**ORDINARY RESOLUTION 4
APPROVAL FOR THE PROPOSED DIVESTMENT**

The Chairman proposed the motion to approve the Proposed Divestment as set out in the Notice of EGM and the Circular to Shareholders dated 28 June 2024.

The results of the votes cast for the Ordinary Resolution 4 were as follows:

	Total Votes	Percentage
For the Resolution	576,167,786	99.9805%
Against the Resolution	112,382	0.0195%
	576,280,168	100%

Based on the results of the poll, the Chairman declared the following motion was carried by a majority vote.

“RESOLVED THAT:

- (a) Approval be and is hereby given to the Company for the Proposed Divestment and all transactions in relation thereto on the terms and conditions of the SPA, such Proposed Divestment being a major transaction for the purposes of Chapter 10 of the Listing Manual of the SGX-ST;**

- (b) ***Any Director be and is hereby authorised to take such steps, enter into all such transactions, arrangements and agreements and execute all such documents as may be advisable, necessary or expedient for the purposes of giving effect to the Proposed Divestment, with full power to assent to any condition, amendment, alteration, modification or variation as may be required by the relevant authorities or as such Directors or any of them may deem fit or expedient or to give effect to this resolution or the transactions contemplated pursuant to or in connection with the Proposed Divestment and the SPA; and***
- (c) ***Any acts and things done or performed, and/or any agreements and documents signed, executed, sealed and/or delivered by a Director in connection with this resolution and the SPA be and are hereby approved, confirmed and ratified.”***

CONCLUSION

There being no other business, the Chairman declared the Meeting of the Company closed at 1:51 p.m. and thanked everyone for their participation and support.

Confirmed as True Record of Proceedings held

CHEAH TEIK SENG
Chairman of the Meeting
Date: 15 August 2024

ASPEN (GROUP) HOLDINGS LIMITED

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EXTRAORDINARY GENERAL MEETING HELD ON 15 JULY 2024

SUMMARY OF QUESTIONS AND ANSWERS

Below is the summary of questions raised by the shareholders and the replies provided by the Chairman and Independent Non-Executive Director, Mr Cheah Teik Seng (“Chairman”) and President and Group Chief Executive Officer, Dato’ Murly Manokharan (“Group CEO”)

Questions on Ordinary Resolution 1 – Ratification of the Deed of Mutual Termination

1. **What are the consequences and implications of the Deed of Mutual Termination and how much loss has been incurred as a result of the termination?**

Chairman and Group CEO:

The Company’s indirect subsidiary, Aspen Glove Sdn. Bhd. (“AGSB”) had entered into a Deed of Mutual Termination (“**Deed of Mutual Termination**”) with Kulim Technology Park Corporation Sdn. Bhd. (“KTPC”) on 31 May 2023 to terminate the original lease agreement dated 1 September 2020 (“**Original Lease Agreement**”). The Original Lease Agreement was for the purpose of constructing an industrial factory thereon for the manufacturing and distribution of rubber and nitrile gloves, as well as other related activities. Pursuant to the Deed of Mutual Termination, the original lease land and the factory buildings erected thereon have been surrendered to KTPC in accordance with the terms of the Original Lease Agreement

In addition, AGSB had managed to negotiate with KTPC for the relaxation of KTPC’s full termination rights and by entering into the Deed of Mutual Termination had secured:-

- (a) a full refund of the lease consideration paid by AGSB for the original lease land amounting to RM28,423,120.00;
- (b) an ex gratia payment of RM25,000,000.00 by KTPC; and
- (c) the removal of certain plant, equipment and machineries from the factory buildings.

The Deed of Mutual Termination had enabled AGSB and the Company to avoid more losses that would have resulted from KTPC exercising the full extent of its termination rights in terminating the Original Lease Agreement, and with the monies received from KTPC for the full refund of the lease consideration and ex gratia payment, enabled AGSB to fully settle the sum payable to Standard Chartered Bank Malaysia Berhad (“SCB”) under the facility agreement between AGSB and SCB (“**Facility Agreement**”) thereby preventing SCB from calling a default under the Facility Agreement which could have triggered a cross default across all banking facilities granted to the Group. Additionally the Deed of Mutual Termination enabled AGSB to be discharged and released from its obligations under the Original Lease Agreement and the Facility Agreement.

Therefore, the entry into the Deed of Mutual Termination had enabled the Group to mitigate and reduce its losses arising from its investment in the glove business, to RM84.0 million inclusive of the RM40.0 million global settlement with Tialoc Malaysia Sdn. Bhd.

Besides the Deed of Mutual Termination, the Company successfully negotiated with KTPC to enter into a Subscription Cum Shareholders’ Agreement in relation to the joint venture in KHTP Assets Sdn. Bhd. (“KASB”) (Ordinary Resolution 2). The formation of KASB then enabled KASB to enter into a Lease Agreement with KTPC (Ordinary Resolution 3), providing a stable income for the Company through subsequent sub-leasing.

Through Ordinary Resolution 4, the Company plans to divest its entire interest in KASB for RM74.08 million to realise the value of its investment and strengthen the Group’s liquidity and cash flow position.

Questions on Ordinary Resolution 4 - Approval for the Proposed Divestment

- 2. Please provide more details of the Company's core business and expertise and whether the decision to involve in the manufacturing and distribution of rubber gloves is considered a wrong decision?**

Chairman and Group CEO:

The Group's core business is property development and its flagship development is Aspen Vision City, which is a joint venture development with Ikano Retail. Aspen Vision City, located at Batu Kawan, Penang, is a mixed-use development comprising a wide-ranging variety of residential and commercial properties including the first IKEA store in the northern region of Malaysia.

Due to the adverse impact of the COVID-19 pandemic on the overall property market, the Group was compelled to explore other potential business opportunities. The increased demand for the medical gloves market at that time, coupled with strong investor interest and a readily available strategic location for the construction of a manufacturing facility, presented a good opportunity for the Group then to diversify its business to include manufacturing and distribution of rubber gloves and other related activities to contribute positively to its growth, financial position and long-term prospects.

However, the performance of the gloves unit was affected 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 average selling prices of gloves. In response to these challenges, the Group had significantly scaled down its glove manufacturing operations in FY2022 and continued to evaluate various options on the future direction of AGSB, including completely ceasing operations and selling all other assets and machineries.

Following the termination of the lease and surrender of the original lease land and factory buildings to KTPC, AGSB had completely ceased operations and exited the healthcare business.

Although in hindsight the venture into the medical glove business is seen as a mistake, it was the most feasible investment opportunity for the Group at that time. Nevertheless, the Group has, through the series of transactions in Ordinary Resolutions 1, 2 and 3, managed to minimise its losses from the glove business and with the Proposed Divestment in Ordinary Resolution 4, the Group is expected to receive approximately RM74 million which would strengthen the Group's financial position to focus primarily on the property development segment which is expected to contribute positively to the earnings of the Group moving forward.

- 3. Has the Company awarded any shares to the key management personnel of AGSB and has it been revoked?**

Chairman and Group CEO:

We wish to clarify that the Company did not award any of its shares to the key management personnel of AGSB. The Managing Director of AGSB was entitled up to 5% of the shares in AGSB, in accordance with the terms of his appointment. However, upon his departure, the Group has recovered all the shares from him and no other shares in the Company or AGSB have been granted to the key management personnel of AGSB.

- 4. Would it be correct to say that with the passing of the four (4) Ordinary Resolutions, the "glove saga" will come to an end and there will be no further legal issues?**

Chairman and Group CEO:

The passing of Ordinary Resolutions 1, 2 and 3, and the global settlement with Tialoc Malaysia Sdn. Bhd. would put an end to the glove issue, whereas the passing of Ordinary Resolution 4 is an enhancement to the financial position of the Group. Therefore, there would be no further financial or legal implications for the Group arising from the glove issue.