

ASPEN (GROUP) HOLDINGS LIMITED

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

INVESTMENT INTO ASPEN VISION HOMES SDN. BHD. FOR ENTRY INTO JOINT VENTURE

1. INTRODUCTION

The Board of Directors of Aspen (Group) Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that Aspen Vision Properties Sdn. Bhd. (“**AV Properties**”) being the Company’s indirect wholly owned subsidiary, together with Oxley Holdings (Malaysia) Sdn. Bhd. (“**Oxley Holdings Malaysia**”) and 2 other independent third parties have on 21 June 2019 made a joint investment into Aspen Vision Homes Sdn. Bhd. (“**AV Homes**”), an indirect wholly owned subsidiary of the Company, by way of subscription of AV Homes’ ordinary shares and redeemable convertible preference shares (“**RCPS**”) in the following proportion: -

Name of Person	Total Investment Amount	Number of Ordinary Shares	Number of RCPS	Proportion of Investment (%)	Interest in AV Homes (%)
AV Properties	RM25,499,990	5,099,990	20,400,000	51	51
Oxley Holdings (Malaysia) Sdn. Bhd.	RM20,000,000	4,000,000	16,000,000	40	40
Wang Yu Huei	RM3,000,000	600,000	2,400,000	6	6
Lee Chee Seng	RM1,500,000	300,000	1,200,000	3	3
TOTAL:	RM49,999,990	9,999,990	40,000,000	100	100

2. SALIENT TERMS OF RCPS

Total number of RCPS	: 40,000,000
Value per RCPS	: RM1.00 only
Total value of RCPS	: RM40,000,000 only
Tenure	: The redemption of RCPS shall be determined at such time and place and in such manner as the Directors may determine.
Dividends	: The RCPS shall carry the right to receive non-cumulative preferential dividend out of the distributable profit of the AV Homes, at a rate to be determined by the AV Homes on the capital paid-up or credited as paid-up thereon and in priority to the holders of the Ordinary Shares.
Ranking	: The RCPS shall rank in priority to any other classes of shares in AV Homes. No further shares ranking as to dividends or as to capital in priority to the said RCPS shall be created or issued by AV Homes except with the consent or sanction of the holder of the said RCPS.
Conversion	: The RCPS may be converted into ordinary shares of AV Homes. Conversion of RCPS into ordinary shares of AV

Homes is only allowed if the conversion does not result in a change in the equity structure of the ordinary shares or upon written approval of all members of AV Homes.

3. RATIONALE

The investment is to enable AV Homes to enter into a joint venture via Aspen Park Hills Sdn. Bhd., a special purpose vehicle (incorporated on 31 May 2019 as announced on 3 June 2019) for the purpose of entering into a sale and purchase transaction involving seven (7) pieces of freehold lands situated at Paya Terubong, Penang, Malaysia measuring approximately 29.046 acres in total ("**Transaction**"). Further details of the Transaction can be found in a separate announcement released by the Company on SGXNET dated 22 June 2019.

4. SOURCE OF FUND

The Group's proportion of the said investment was funded through internal resources.

5. INTERESTED PERSON TRANSACTION

The issuance of ordinary shares and RCPS by AV Homes to Oxley Holdings Malaysia constitutes an interested person transaction under Chapter 9 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist ("**Catalist Rules**"), as illustrated below: -

- (a) As subsidiaries of the Company which is an issuer listed on the Catalist, AV Properties and AV Homes are considered to be the "entity at risk"; and
- (b) Oxley Holdings Malaysia is an indirect wholly owned subsidiary of Oxley Holdings Limited. Mr Ching Chiat Kwong, a Non-Independent Non-Executive Director of the Company is interested in 42% of the total number of ordinary voting shares of Oxley Holdings Limited, thereby making Oxley Holdings Malaysia an associate of Mr Ching Chiat Kwong, who is an interested person.

The investments by the Company and the other AV Homes shareholders are in proportion to the percentage of equity subscribed by all the shareholders in AV Homes. Mr Ching Chiat Kwong and/or his associates do not have an existing equity interest in the joint venture prior to the participation of the entity at risk in the joint investment. As such, the investment is undertaken pursuant to Rule 916(2) of the Catalist Rules.

6. TOTAL VALUE OF INTERESTED PERSON TRANSACTIONS

Save for the aforementioned and their investments in AV Homes, Mr. Ching Chiat Kwong and/or his associates have not entered into any other interested person transactions with the Group during the financial year ending 31 December 2019 ("**FY2019**") up to the date of this announcement.

The total value of all interested person transactions during FY2019 up to 20 June 2019 is RM20,000,000.

7. STATEMENT BY AUDIT COMMITTEE

The Audit Committee of the Company is of the view that: -

- (i) the risks and rewards are in proportion to the equity of each AV Homes shareholder, and
- (ii) the terms of the investment are not prejudicial to the interests of the Company and its minority shareholders.

8. FINANCIAL EFFECTS

The Group's proportion of the investment is not expected to have any material impact on the consolidated net tangible assets per share or earnings per share of the Group for the current financial year ending 31 December 2019.

9. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Save as disclosed above, none of the directors or the controlling shareholders of the Company have any interests, direct or indirect, in the said investment (other than through their respective effective shareholding interests in the Company, if any).

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan
President and Group Chief Executive Officer
22 June 2019

Aspen (Group) Holdings Limited (the "**Company**") is listed on Catalist of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 28 July 2017. The initial public offering of the Company was sponsored by PrimePartners Corporate Finance Pte. Ltd. (the "**Sponsor**").

This announcement has been prepared by the Company and its contents have been reviewed by the Company's Sponsor in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalist.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.

The contact person for the Sponsor is Ms. Jennifer Tan, Associate Director, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).