



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

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## UPDATE ON ASPEN GLOVE SDN. BHD.'S OPERATIONS

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The Board of Directors (the “**Board**”) of Aspen (Group) Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to inform shareholders and potential investors of the Company that the Company’s subsidiary, Aspen Glove Sdn. Bhd. (“**AGSB**”) is significantly scaling down its operations taking into consideration the following factors:-

- i. the increasing headwinds for the medical glove market resulting from a drastic reduction of demand owing mainly to the easing of the Covid-19 induced demand and high inventory levels of medical gloves, heightened competition, global supply chain challenges, higher shipping and logistics costs, high inflation and continuous decline in the average selling prices (“**ASP**”) of gloves;
- ii. geopolitical tensions and risks of a global economic recession from the ongoing Russia-Ukraine conflict;
- iii. further margin compression is expected due to the higher production costs; and
- iv. amidst the falling ASP, glove buyers have refrained from stocking up on gloves to avoid locking in purchases at high prices. As a result, AGSB has been unable to secure any significant new purchase orders from its existing or new customers.

Along with the scaling down of AGSB’s operations, the Group is also currently evaluating various options on the future direction of AGSB, including recapitalisation, entering into a joint venture and/or disposal of the entire business and assets of AGSB. The scaling down of AGSB’s operations is expected to have a material impact on the Group’s results in the current financial year ending 30 June 2022.

In the meantime, the Group will continue to focus on its property development sector and food and beverage sector which are showing signs of recovery as most countries progressively transition towards endemic management of Covid-19. However, the recovery of these sectors may be thwarted by the supply chain disruptions which persist, soaring price inflation and fears over the global economic recession.

The Company will make the appropriate announcements as and when there are any further material developments.

**Shareholders and potential investors are advised to exercise caution when dealing or trading in the securities of the Company. Shareholders and potential investors are advised to read this announcement and any further announcements by the Company carefully. When in doubt as to the action they should take, shareholders and potential investors should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.**

### **BY ORDER OF THE BOARD**

Aspen (Group) Holdings Limited

Dato’ Murly Manokharan  
President and Group Chief Executive Officer  
8 June 2022