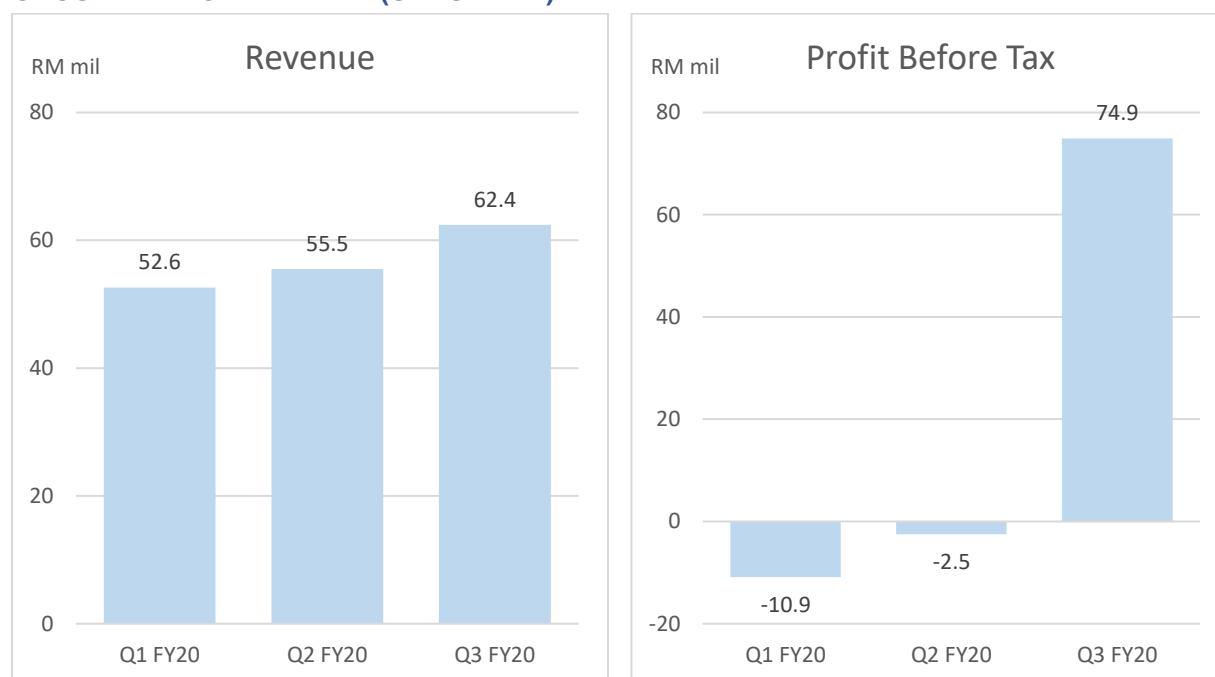


VOLUNTARY DISCLOSURE
BUSINESS UPDATES FOR THIRD QUARTER ENDED 30 SEPTEMBER 2020

The Board of Directors (the "**Board**") of Aspen (Group) Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to provide its business updates for third quarter ended 30 September 2020 to shareholders.

GROUP FINANCIAL REVIEW (UNAUDITED)



The Group achieved revenue of RM62.4 million as at Q3 FY2020, a RM6.9 million increase in revenue compared to Q2 FY2020. The increase was contributed from additional units sold in Tri Pinnacle and Vervea, as well as the progressive construction of Beacon Executive Suites and Vertu Resort during Recovery Movement Control Order phase.

In Q3 FY2020, the Group recorded profit before tax ("**PBT**") of RM74.9 million. Despite the ongoing Covid-19 pandemic which has severely restricted sales and marketing activities as well as construction activities, the Group was able to generate operating revenue which partially contributed to the PBT. The main contributor of the profit before tax is the share of profit from the Group's associated company which revalued its investment properties in Q3 FY2020 and recognized a gain on revaluation of investment properties.

BUSINESS UPDATES FOR THE PROPERTY DEVELOPMENT SECTOR

Notwithstanding the challenges brought about by the Covid-19 pandemic, the Group has returned to profitability as at Q3 FY2020 and is optimistic to maintain to profitability for FYE 31 December 2020 due to the following:

- (i) The Malaysian Government had announced stimulus measures to address the economic challenges arising from the Covid-19 pandemic including the recent stimulus measures announced for the property sector on 7 June 2020 in conjunction with the Recovery Movement Control Order, such as the reintroduction of the Home Ownership Campaign (“**HOC**”) under Short-Term Economic Recovery Plan. Under the HOC, stamp duties for loan agreements and transfer of title will be waived for purchase of properties from property developers. The HOC was able to boost sales of the Group’s residential properties despite the Covid-19 pandemic;
- (ii) The Penang State Government has announced a reduction in the minimum price for the purchase of Penang properties by foreigners. This reduction is expected to attract foreigners to invest in properties in Penang;
- (iii) Bank Negara Malaysia has proactively reduced the Overnight Policy Rate to stimulate the property market by lowering the cost to own property and loan interest rate for purchasers;
- (iv) The progressive construction work of Vertu Resort which is targeted to be completed and handed over in early FY2021 will boost the revenue of the Group for FY2020;
- (v) Despite the restriction on events and international travel due to the Covid-19 pandemic, several marketing efforts i.e. advertising via new e-commerce platforms and social media such as Facebook have been carried out to reach out to potential purchasers for the Group’s on-going projects which may lead to higher sales performance; and
- (vi) The on-going projects of the Group namely, Vertu Resort, Beacon Executive Suites, Vivo Executive Apartment and Viluxe, with a total unbilled sales amounting to RM594.8 million as at 30 September 2020, will further contribute to the earnings of the Group for the financial year ending 31 December 2020.

BUSINESS UPDATES FOR THE HEALTHCARE SECTOR - GLOVE MANUFACTURING SEGMENT

Following the completion of placement (“**Placement**”) by the Company on 18 November 2020, the funds from the Placement will be used mainly to fund the construction of Phase 1 of the glove manufacturing facility which is expected to be completed by Q1 2021 and the Group targets to commence production by Q2 2021 to bring between 1.6-1.8 billion gloves annually to the market.

As at the date of this announcement, the Group has progressed into super structure works including laying of column and floor slab, steel structure installation and pile cap casting. The Group is confident that it will be able to meet the timeline based on the current progress and its ability as a specialised developer and with its past experiences.

Construction progress of glove manufacturing facilities as at 20 November 2020





Further, the Group has been actively involved in recruitment process to hire candidates from various categories to ensure the efficiency on the setting up of the manufacturing facility and executing the day to day operations. With inception of gloves manufacturing segment, the Group will be creating at least 3,500 job opportunities to the locals and neighbouring states.

With the increasing demand of gloves exceeding the global supply currently, the Group has been receiving tremendous response from various global market supply chain buyer; who have shown strong interest to buy and commit to forward purchase the entire production of Aspen Glove Sdn Bhd's ("**AGSB**") up until 2023. The Company will make the necessary announcement to shareholders as and when the Company enters into a material definitive sales agreement(s).

The recent news of the readiness of vaccines against Covid-19 has also spurt the demand for medical gloves which will be heavily used in the testing, mass production, distribution and administration of the vaccines.

The Group initially aims to complete another 3 phases of the glove manufacturing facility in the next three years to five years and expect to produce between 13.1-14.1 billion gloves annually. However, due to the increase in demand, AGSB has reviewed its business direction and plans to fast track the completion of phase 2 and phase 3 to increase the production capacity to meet the current demand. The Company

will continue to update shareholders on the progress of the glove manufacturing facilities.

BUSINESS UPDATES FOR THE FOOD AND BEVERAGE (F&B) SECTOR – “KANADA-YA”

The Company had on, 29 April 2019, announced that its subsidiary, Kanada-Ya SG Pte. Ltd. has entered into a Master Franchise Agreement with Kanada-Ya UK Ltd. to acquire the rights as the master franchisee for the ‘KANADA-YA’ brand.

On 15 October 2020 and 15 November 2020, the Group has officially opened its second and third KANADA-YA outlets in Singapore at Change Alley Mall and Marina Square respectively. The Group is currently planning to open an additional KANADA-YA ramen outlet in Singapore by Q4 2020. KANADA-YA’s fourth outlet, targeted for opening by December 2020, will be a 1195 sq ft outlet at Paragon Orchard with a seating capacity of 58 seats.

Since its first outlet opening at PLQ Mall, KANADA-YA has received overwhelming support from patrons. Further, due to the ongoing Covid-19 pandemic the Group has taken the effort to turn to social media and online platforms to boost its food and beverage business across Singapore by providing take-outs and deliveries services through its three existing KANADA-YA outlets.

The Group targets a revenue of SGD8 million per annum once all four outlets are operating fully. For 2021, the Group targets to open another five outlets in Singapore at various locations.



Marina Square Outlet



Opening of Marina Square Outlet on 15 November 2020

OUTLOOK

There remains significant uncertainty in the operating environment due to Covid-19 pandemic. Group earnings and operating cashflows may continue to face headwinds from the disruptions to businesses as detailed above. The extent and duration of the headwinds will depend on when the global pandemic situation will ease up. Notwithstanding the immediate challenges, the Group remains committed to its transformation and diversification efforts.

Further, the successful completion of the Company’s Placement on 18 November 2020 has raised an aggregate fund of up to S\$23,800,000 which will strengthen the Group’s liquidity position and balance sheet. The Group is prudently managing its expenses, cashflow and liquidity to turn “headwinds” into “tailwinds” by seeking out new opportunities that will strengthen its capabilities and competitiveness in key markets.

Disclaimer: Figures stated in this business update are unaudited and are subject to revision. This document should be read as an overview of the Group's current business activities and operating environment which may contain statements relating to the Group's growth strategy and future business aspirations. These statements involve risks and uncertainties and should not be solely relied upon by investors or potential investors when making an investment decision. The Group will not be responsible for any consequences resulting from the use of this material as well as the reliance upon any opinion or statement contained herein.

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan
President and Group Chief Executive Officer
30 November 2020

This announcement has been reviewed by the Company's Sponsor, PrimePartners Corporate Finance Pte. Ltd. It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "Exchange") and the Exchange assumes no responsibility for the contents of this document, including the correctness of any of the statements or opinions made or reports contained in this document.

The contact person for the Sponsor is Ms. Jennifer Tan, 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318, sponsorship@ppcf.com.sg.