

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

**COMPLETION OF THE SALE AND DEVELOPMENT OF PLOT 25 IN BANDAR CASSIA,
BATU KAWAN, PENANG, MALAYSIA**

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 City Sdn. Bhd. (“**AV City**”), a subsidiary of Aspen Vision Land Sdn. Bhd. (“**AV Land**”) has completed the disposal of a piece of land measuring approximately three (3) acres (about 130,680 square feet) (Plot 25) located in Aspen Vision City, Bandar Cassia, Batu Kawan (“**Plot 25**”) at a consideration of RM16,988,400 (exclusive of GST) (the “**Sale Price**”) to Columbia Asia Sdn. Bhd. (“**CASB**”) for the purposes of constructing and operating a Columbia Asia Medical Centre and its supporting amenities pursuant to a Purchase and Development Agreement dated 17 June 2015 (the “**PDA**”) (the “**Sale and Development**”).

The impending completion of the Sale and Development has been disclosed on page 130 of the offer document of the Company dated 19 July 2017.

2. DESCRIPTION OF PLOT 25

AV Land had entered into a Purchase and Development Agreement dated 3 September 2014 (“**Principal PDA**”) with the Penang Development Corporation (“**PDC**”) in respect of a piece of freehold land measuring approximately 245 acres situated in Bandar Cassia, Batu Kawan, which shall be subdivided into and consist of Parcels 1A, 1B, 2, 3, 4, 5 and 6 (collectively the “**Land**”). Thereafter, AV Land had entered into a Sale and Purchase Agreement dated 3 September 2014 with AV City and PDC, for the sale to AV City of part of the land measuring approximately 170 acres in aggregate which shall consist of Parcels 2, 3, 5 and 6 (collectively the “**Mixed Development Land**”).

Plot 25 which forms part of Parcel 5 of the Mixed Development Land, has since been issued with a separate title known as P.T. No. 5967, Mukim 13, Daerah Seberang Perai Selatan, Negeri Pulau Pinang held under Hakmilik Sementara No. H.S.(D) 50535 in favour of CASB. Plot 25 is a freehold land with a plot ratio of 1:2.

3. INFORMATION ON CASB

CASB is 30% owned by the Employee Provident Fund of Malaysia and 70% by a United States-based fund, the International Columbia Asia LLC (ICU), which comprises over 150 individual and institutional investors.

CASB provides healthcare services at affordable price with facilities of international standards via its Columbia Asia medical facilities in Malaysia. Today, the Columbia Asia brand offers 29 medical facilities across Asia with 12 in Malaysia. The medical centre in Aspen Vision City will be its second in the Northern Region of Malaysia.

4. CONSIDERATION

The consideration was arrived at arm's length and commercial negotiations between CASB and AV City on a willing-buyer willing-seller basis, after taking into consideration:-

- (i) the current market prices of land parcels in the surrounding area together with the relevant cost of earth filling and soil improvement works on Plot 25; and
- (ii) relevant contribution towards Aspen Vision City's common infrastructure works for the Land (part of which shall also serve and benefit the Plot 25).

The total consideration for Plot 25 calculated at RM130.00 per square foot for the land size of 130,680 square feet is RM16,988,400 (exclusive of GST).

5. FINANCIAL EFFECTS

The Sale and Development is expected to result in a gain of approximately RM8.80 million (the "**Gain**") after taking into account other estimated related costs. The earnings per share and net tangible assets per share of the Group for the current financial year ending 31 December 2017 is expected to be positively affected by the Gain.

6. BENEFITS

The benefits of the Sale and Development are as follows:-

- (i) CASB's objective is to provide communities with effective healthcare at excellent value, and to be the preferred choice for families and businesses. Its business model is in line with the Aspen-Ikano's concept of affordability and sustainability which makes CASB the preferred partner;
- (ii) a private medical centre is a catalyst to the Aspen Vision City development and a key component to a development of a vibrant township;
- (iii) although CASB typically runs medical facilities of less than 100 beds, the medical centre in Aspen Vision City is expected to house 150 beds medical centre to cater to rising demands;
- (iv) CASB is expected to invest approximately RM185 million into the development and operation of the medical facility, and therefore will contribute largely to the overall development of Bandar Cassia, Batu Kawan by bringing in commercial growth and opportunities; and

- (v) the operation of the medical centre is expected to be timely commenced to cater to the needs of completed developments such as the Vervea commercial precinct, Vertu Resort condominium and the IKEA Store as well as the neighbouring developments which are moving at a fast pace.

In view of the above, the Board believes that the Sale and Development will maximise the interests of shareholders as it will provide the Group with greater financial flexibility for its operations and to provide core amenities to a comprehensive master plan development, thus increasing the value and potential of future developments within the Mixed Development Land. After careful consideration, the Board is of the view that the Sale Price is fair and reasonable and that the Sale and Development is in the best interests of the Company and its shareholders.

7. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or the controlling shareholders of the Company has any interests, direct or indirect in the Sale and Development (other than through their respective effective shareholding interests in the Company).

8. COMPLIANCE WITH RULE 703 OF THE CATALIST RULES

The Sale and Development is within the ordinary course of the Company's business and this announcement is made pursuant to and for the purpose of compliance with Rule 703 of the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalyst.

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan

Executive Director, President and Group Chief Executive Officer

3 August 2017

Aspen (Group) Holdings Limited (the "**Company**") is listed on Catalyst 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 Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalyst. The Sponsor has not verified the contents of this announcement.

This announcement has not been examined nor approved by the SGX-ST. The Sponsor and the SGX-ST assume no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made, or reports contained in this announcement.

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