

ASPEN (GROUP) HOLDINGS LIMITED

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

ACQUISITION OF A PIECE OF FREEHOLD LAND IN BANDAR BATU 18, SEMENYIH, DAERAH ULU LANGAT, NEGERI SELANGOR, MALAYSIA

1. INTRODUCTION

The Board of Directors (“**Board**”) of Aspen (Group) Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that, Aspen Vision Development (Central) Sdn. Bhd. (“**AV Development Central**”), a wholly owned subsidiary of the Company, has on 28 September 2017 entered into a Sale and Purchase Agreement (the “**SPA**” or “**Second SPA**”) with Tropicana Kajang Hill Sdn. Bhd. (Company No. 393924-X) (“**TKHSB**”), an independent unrelated third party, in respect of a purchase of a freehold land held under H.S.(D) 161802, PT 38090, Bandar Batu 18 Semenyih, Daerah Ulu Langat, Negeri Selangor measuring approximately 22,954 square metres (the “**Land**”) for a total consideration of RM66,710,196.00 (exclusive of GST) (the “**Purchase Price**”) (“**the Acquisition**”).

2. INFORMATION ON TKHSB

TKHSB is a wholly-owned subsidiary of Tropicana Corporation Berhad (“**Tropicana**”), a company listed on the Main Board of Bursa Malaysia. The Tropicana group is mainly involved in property development, resort operations and property investment.

3. RATIONALE

The Land is located in a matured township known as Kajang which is approximately 30km from the Kuala Lumpur city centre. The Land is accessible from the Kuala Lumpur city centre by highway as well as the newly opened Kajang MRT line.

The Land is part of a master plan development which is being developed by Tropicana and is in close proximity to various public amenities, including an international school.

The Land has been approved by the relevant authorities for the Development (as defined herein) which provides an advantage to AV Development Central in terms of resource planning and timing for launch for sale. Notwithstanding the approval obtained for the Development (as defined herein), AV Development Central may make such amendments to the planning approvals and building plans if it intends to do so, subject to approvals from the relevant authorities.

In view of the above, the Board believes that the Acquisition will maximise the interests of shareholders. After careful consideration, the Board is of the view that the Purchase Price is fair and reasonable and that the Acquisition is in the best interests of the Company and its shareholders.

4. INFORMATION RELATING TO THE ACQUISITION

- 4.1 The Land has been approved for a proposed development of two (2) blocks of residential properties comprising Small Office Home Office (SOHO) and serviced apartments, one (1) block of nine (9) storey podium car parks, sixteen (16) shop lots (retail units) and other facilities (“**the Development**”) pursuant to the existing Planning Permission and Building Plan approved by the Kajang Municipal Council;
- 4.2 The Land is presently vacant and is sold to AV Development Central on an “as is where is” basis, subject to amongst others the following terms and conditions:-
- (a) TKHSB undertakes to notify the Kajang Municipal Council of the sale of the Land to AV Development Central and that TKHSB’s rights and obligations relating to the Development under the approved Planning Permission and Building Plan applied by TKHSB and approved by the Kajang Municipal Council in respect of the Development will pass on to AV Development Central in accordance with the terms and conditions of the SPA;
 - (b) TKHSB shall at its own cost and expense construct or cause to be constructed or surrender land to the relevant authorities for construction of, the major infrastructures serving the Land comprising access roads, drains, water pipelines, sewerage pipelines, electricity mains and telecommunication mains (“**Major Infrastructures**”) which are required to be constructed or provided outside the boundary of the Land for connection by AV Development Central;
 - (c) TKHSB shall at its own cost and expense surrender parcel(s) of land for the purpose of public amenities provision which are required outside the Land as part of the approval for the master plan development which includes the Land;
 - (d) AV Development Central’s undertaking to carry out and complete the Development in accordance with the approved Planning Permission and Building Plan, subject to such amendments thereof which may be proposed by AV Development Central and approved by the relevant authorities; and
 - (e) AV Development Central shall comply with the requirement for the provision of 10% affordable SOHO units and 15% of affordable serviced apartments units in accordance with the Selangor State government development guidelines for affordable commercial apartments and boutique offices.
- 4.3 The gross development value (GDV) for the Development is estimated to be RM500 million.

5. CONSIDERATION

The total consideration for the Land is RM66,710,196.00 (exclusive of GST).

The consideration was arrived at arm’s length and commercial negotiations between TKHSB and AV Development Central on a willing-buyer willing-seller basis, after taking into consideration (i) the current market prices of land parcels in the surrounding area; (ii) the approved Planning Permission and Building Plan for the Development; and (iii) the provision of public amenities and the Major Infrastructures required outside the Land by TKHSB.

According to the SPA, the Purchase Price will be satisfied in the following manner: -

- (a) 10% of the Purchase Price being the deposit of RM6,671,019.60 shall be paid by AV Development Central to TKHSB simultaneously upon the execution of this SPA (the “**Deposit**”); and
- (b) the balance of the Purchase Price of RM60,039,176.40 shall be paid by the AV Development Central to TKHSB within seven (7) months from the date of the SPA (“**Completion Period**”).

6. FUNDING OF THE ACQUISITION

The Acquisition is expected to be funded by bank borrowings and internal resources.

The Company intends to utilise RM6,700,478.82 (inclusive of GST) (approximately S\$2,156,717) of the net proceeds from the initial public offering, out of the S\$25 million allocated for the acquisition of land banks and future developments, to satisfy the payment of the Deposit.

7. FINANCIAL EFFECTS

The Acquisition 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 2017.

8. 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 Acquisition (other than through their respective effective shareholding interests in the Company).

9. COMPLIANCE WITH RULE 703 OF THE CATALIST RULES

The Acquisition 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 Catalist.

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato’ Murly Manokharan
Executive Director, President and Group Chief Executive Officer
28 September 2017

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 Sponsor for compliance with the SGX-ST Listing Manual Section B: Rules of Catalist. 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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