

PRESS RELEASE - FOR IMMEDIATE RELEASE

Aspen Announces Sterling Results for 9M FY2017 with Net Profit Rising Sharply by 2,564% to RM43.4 Million

**3Q FY2017 Net Profit Accelerated to RM24.9 Million,
Exceeding the Total Net Profit Achieved in 1H FY2017**

- *Revenue rose substantially due to progressive revenue recognition from ongoing projects and completion of sale of a piece of land for the development of a private medical centre*
- *Healthy balance sheet with comfortable net cash position of RM92.3 million as at 30 September 2017*
- *With total unbilled sales of RM1.015 billion as at 30 September 2017, the Group expects strong growth to continue with the robust sales and construction of its ongoing projects as well as the commencement of construction for Vertu Resort with a total GDV of RM661.7 million*

Singapore, 10 November 2017 – Aspen (Group) Holdings Limited (“Aspen” and together with its subsidiaries, the “Group”), a Malaysia-based property group, today announced a sterling set of results for the third quarter and nine months ended 30 September 2017.

Q3 and 9M FY2017 Results Review

For the nine months ended 30 September 2017 (“9M FY2017”), the Group recognised higher revenue from ongoing property development projects as construction continued to progress at Tri Pinnacle and Vervéa. In addition, the Group also completed the sale of a piece of land for the development of a private medical centre and commenced construction of its Vertu Resort project. Located at Aspen Vision City, Vertu Resort consists of 5 condominium blocks ranging from 20 to 32 storeys built above an 8-storey car park podium with an additional floor for community recreational facilities. Together, these activities contributed to a higher revenue of RM245.9 million in 9M FY2017, a significant jump of 343% compared to revenue of RM55.5 million in 9M FY2016.

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Due to the increase in revenue, gross profit rose 431% to RM105.0 million. Gross profit margin improved from 36% in 9M FY2016 to 43% in 9M FY2017. To support its growth, the Group incurred additional expenses to increase manpower and expanded office facilities. Administrative expenses were inflated by listing expenses totalling RM7.0 million for the Group's initial public offer in July 2017. However, selling and distribution expenses were lower compared to the previous corresponding period in which the Group incurred higher costs for the sales and marketing initiatives for the Vertu Resort project. The improvement in profitability raised tax expenses correspondingly. With higher revenue, profit attributable to shareholders jumped to RM43.4 million in 9M FY2017, reversing the loss of RM1.8 million in 9M FY2016.

For Q3 FY2017, revenue and profit attributable to shareholders increased 504% and 2,218% to RM137.9 million and RM24.9 million respectively.

Sales of ongoing projects have remained strong in 3Q FY2017. With the right products at strategic locations, Vervéa, the commercial property project has achieved 88.51% of units sold, Vertu Resort, the 5 blocks residential project in Batu Kawan recorded 64.61% of units sold and Tri-Pinnacle, the affordable housing development recorded 82.69% of units sold as at 30 September 2017.

Prospects

The Group continues to operate under favourable business conditions underpinned by Malaysia's improved economic performance and lower unemployment rate which bolster demand for properties. In an effort to boost home-ownership, the recently announced Malaysia's Budget 2018 introduced the Pr1Ma Skim Pembiayaan and MyDeposit Programme to lighten the burden of first-time home buyers in paying deposits or instalments when purchasing a home. These initiatives are consistent with the Group's pricing and planning strategy of promoting affordable home and first home ownership. Other property-related initiatives announced in Malaysia's Budget 2018 such as the reduction of income tax rates for the low- and middle-income taxpayers and the 50% tax exemption for rental income on residential homes should also contribute to a higher demand for residential properties.

In Penang, the State Government has been actively promoting the Batu Kawan Industrial Park. Efforts to attract high-technology and skill intensive industries to the area will create more job opportunities and increase the local population. Located at Batu Kawan, the Group's flagship project, Aspen Vision City, will be a beneficiary of such developments. In Q3 FY2017, the first IKEA Store in the Northern Region of Peninsula Malaysia commenced construction at Aspen Vision City and slated to open in Q1 2019. The IKEA Store and regional shopping centre are

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expected to create employment opportunities, attract shoppers and increase exposure for Aspen Vision City at Batu Kawan.

“Our Summer Hot Sale campaign in Q3 FY2017 and the Sneak & Pick event in September 2017 received good response. In view of the unbilled sales totalling to RM1.015 billion as of 30 September 2017 from our ongoing projects, we maintain a positive outlook and expect revenue to grow with continued sales and progressive construction of our ongoing projects,” commented Dato’ M. Murly, President and Group Chief Executive Officer.

“The recently announced Malaysia’s Budget 2018 also contains good news for the real estate industry. The government is continuously intensifying its efforts to increase home-ownership for the middle-income group and this is good news for us as it aligns with our business model and strategy. We believe all the newly announced home-ownership schemes under the Budget 2018 will bring further growth to the Group.”

“Going forward, we will continue to launch new development projects, acquire new land banks and expand regionally with our strategic partners. We are also looking to leverage on our developments to expand into new business segments capable of generating streams of annuity income,” Dato’ Murly added.

Table 1: Summary of Pipeline Projects


Projects	Location	Targeted Development Components	Estimated GDV
HH Park Residence	Tanjung Bungah, Penang	Mixed development - 2 blocks condominium with shop offices and retail spaces	RM613.1 mil
Viluxe Designer Bungalows	Aspen Vision City, Penang	Landed development – 133 units of designer bungalows	RM350.0 mil
Vittoria Financial Centre	Aspen Vision City, Penang	Commercial development - 5 blocks of commercial building and a block of office tower	RM 238.0 mil
VOG Lifestyle Residence	Aspen Vision City, Penang	Mixed development- of 1 block of hotel and office suites, 2 blocks of condominium and retail spaces	RM800.0 mil


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This press release should be read in conjunction with Aspen's Q3 FY2017 results announcement released on 10 November 2017 on the Singapore Exchange.

About Aspen (Group) Holdings Limited

Listed on the SGX-Catalist on 28 July 2017, Aspen (Group) Holdings Limited is a Malaysia-based property group developing affordable residential and mixed development properties at strategic locations with good infrastructure and amenities for middle-income mass market purchasers. The Group's flagship project, Aspen Vision City, a 245-acres freehold mixed development project well-located in Bandar Cassia, Batu Kawan - Penang's third satellite city, is a joint partnership with IKEA Southeast Asia. With a gross development value of over RM10 billion, of which the Group has launched over RM2.17 billion of properties to date; Aspen Vision City will feature the first IKEA Store in the Northern region of Peninsular Malaysia and a state-of-the-art regional integrated shopping centre. In addition, the Group also has several ongoing developments in Penang Island, which captured a total gross development value of over RM1.27 billion. For more information about the Group and its projects, please visit <http://aspen.sg>.

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This media release has been prepared by the Aspen (Group) Holdings Limited (the "Company") and its contents have been reviewed by the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. (the "Sponsor"), for compliance with SGX-ST Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this media release.

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

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