

PRESS RELEASE - FOR IMMEDIATE RELEASE

Aspen Achieves Record Net Profit of RM85.4 Million in FY2017

**4Q FY2017 Net Profit of RM42.0 Million Almost Matches
9M FY2017 Net Profit of RM43.4 Million**

- ***Strong revenue recognition in FY2017 due to progressive construction at three of the four ongoing projects, as well as the sale of a private medical centre land***
- ***After having launched four projects with Gross Development Value (“GDV”) totalling RM2.2 Billion and substantial construction at some of the existing projects, balance sheet remains healthy with positive net cash position of RM22.7 million as at 31 December 2017***
- ***With total unbilled sales of RM858.2 million as at 31 December 2017, the Group expects revenue growth to continue with further sales and construction of its four ongoing projects***
- ***The Group is getting four new projects ready for launch in FY2018 / 2019***

Singapore, 28 February 2018 – Aspen (Group) Holdings Limited (“Aspen” and together with its subsidiaries, the “Group”) is a Malaysia-based property group developing affordable residential and mixed development properties. The Group’s flagship property project, the 245-acre Aspen Vision City (“AVC”), a joint venture with IKEA Southeast Asia, is located at Batu Kawan next to the Penang Second Bridge. The Group had announced its results for the fourth quarter and twelve months ended 31 December 2017 today.

Aspen Group

Aspen House, 300, Jalan Macalister, 10450 George Town, Penang

Tel: +604- 227 5000 Fax: +604- 227 5000 aspen.com.my | aspen.sg

E: corporate@aspen.com.my  [myaspengroup](https://www.facebook.com/myaspengroup)  [aspengroup.my](https://www.instagram.com/aspengroup.my)

FY2017 Results Review

The Group has launched four property projects in Penang: Tri Pinnacle and Beacon Executive Suites on Penang Island, and Vervéa and Vertu Resort in AVC. These projects had achieved good sales in FY2017. With progressive construction at Tri Pinnacle, Vervéa and Vertu Resort, as well as the sale of a medical centre land, the Group achieved strong revenue recognition in FY2017. The Group's revenue rose from RM99.7 million in FY2016 to RM453.1 million in FY2017, a growth of approximately 355%. With a higher revenue, the gross profit increased by approximately 413% to RM180.7 million and gross profit margin increased from 36% in FY2016 to 40% in FY2017.

The Group's expansion, the initial public offer ("IPO") in July 2017 and more properties sold added to operating costs in FY2017. The increase in manpower, expansion of office facilities that were required to support the growth in operations and the IPO listing expenses contributed to the increase in the administrative expenses. Selling and distribution expenses were correspondingly higher to support growing sales at the four ongoing projects. Finance income rose as IPO proceeds were placed in bank deposits pending deployment and finance costs decreased due to a debt restructuring prior to the IPO. Notwithstanding higher tax expense due to higher taxable profits, net profit attributable to shareholders increased substantially to RM85.4 million.

As at 31 December 2017, of the two projects launched by Aspen Vision City, Vervéa, which consists of 441 units of commercial shop offices lots is 88.28% sold and Vertu Resort, with 1,246 units over 5 condominium blocks ranging from 20 to 32 storeys built above an 8-storey car park podium is 65.73% sold. The affordable homes project located at Tanjong Tokong on Penang Island, Tri-Pinnacle, has achieved a take-up rate of 83.45% whereas Beacon Executive Suites in George Town, another project on Penang Island has 65.20% of its units sold.

Prospects

Business conditions in Malaysia continue to remain favourable for property development. With its stable economic performance, a relatively low unemployment rate and historically low interest rates have underpinned the demand for properties. The Malaysia's Government has

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been promoting home-ownership through initiatives such as the Pr1Ma Skim Pembiayaan and MyDeposit Programme to relieve the financial burden on first-time home buyers through the provision of payment options such as deposits or instalments when purchasing a home.

In Penang, the State Government has been actively promoting Batu Kawan after the completion of the RM4.5 billion Penang Second Bridge in 2014. Due to its excellent connectivity to the Penang airport, Batu Kawan is an ideal location for high-technology and skills-intensive industries. Many international organisations, including some of the Fortune 500 companies have been attracted to set-up their plants in Batu Kawan Industrial Park. The IKEA Store which is currently under construction in AVC, is scheduled to complete in November 2018 and will be open for business in early 2019. The IKEA Store will provide additional employment opportunities in Batu Kawan and increase the demand for property in AVC. The IKEA Store at AVC is also expected to attract shoppers from Penang Island and the Northern Region of Peninsula Malaysia via the North-South Highway. Due to its strategic location, it can be accessed easily, connecting an estimated 6.5 million population in the Northern Region. The IKEA Store will create a thriving community at AVC, which will in turn serve as a catalyst in the development of Batu Kawan.

“The Group’s achievements in FY2017 have laid a strong foundation for its future growth. The successful IPO in July 2017 on the Singapore Exchange and the sale and construction of our ongoing projects have contributed to the record net profit of RM85.4 million. With unbilled sales totalling RM858.2 million as at 31 December 2017, we are confident of a continuation of revenue growth in FY2018,” commented Dato’ M. Murly, President and Group Chief Executive Officer. Other achievements in the last six months include the Group’s three acquisitions in Selangor that are located at Seri Kembangan, Shah Alam and Kajang.

“2018 is a significant year for the Group, as we will be completing the first residential and the first commercial developments in the third and fourth quarter of the year. We will be delivering a total of 1,758 keys to our purchasers, with a GDV of RM1.36 billion.”

“While the Group continues to manage the sale and construction of the four ongoing projects, plans are underway to prepare for four other projects in the pipeline for sales launch in FY2018 / 2019. Going forward, as we launch new development projects, we will continue to acquire new land banks as well as evaluate opportunities to expand regionally with our strategic

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partners. We will also work with our developments to develop new business segments capable of generating streams of annuity income.” Dato’ Murly further commented.

Table 1: Summary of Pipeline Projects

Projects	Location	Targeted Development Components	Estimated GDV
HH Park Residence	Tanjung Bungah	Mixed development - 2 blocks condominium with shop offices and retail spaces	RM613.3 m
Viluxe Designer Bungalows	Aspen Vision City	Landed development – 133 units of designer bungalows	RM350.0 m
Vittoria Financial Centre	Aspen Vision City	Commercial development - 5 blocks of commercial building and a block of office tower	RM 238.0 m
Vogue Lifestyle Residence	Aspen Vision City	Mixed development- of 1 block of hotel and office suites, 2 blocks of condominium and retail spaces	RM794.4 m

This press release should be read in conjunction with Aspen’s FY2017 results announcement released on 28 February 2018 on the SGXNET.

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; Aspen Vision City will feature the first IKEA Store in the Northern region of Peninsular Malaysia and a state-of-

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the-art regional integrated shopping centre. In addition, the Group also has several property 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>.

Contact

Cyrus Capital Consulting
Mr. Lee Teong Sang
Tel: +65-9633 9035
E-mail: teongsang@cyrus.com.sg


Aspen (Group) Holdings Limited (the “Company”) was 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 press release has been prepared by the Company and its contents have been reviewed by the Company’s Sponsor, PrimePartners Corporate Finance Pte. Ltd. (the “Sponsor”) for compliance with the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Rules of Catalist. The Sponsor has not verified the contents of this press release.

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

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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