

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

PROPOSED PLACEMENT OF 97,000,000 PLACEMENT SHARES (AS DEFINED HEREIN) IN THE SHARE CAPITAL OF ASPEN (GROUP) HOLDINGS LIMITED AT AN ISSUE PRICE OF S\$0.24 PER PLACEMENT SHARE

1. INTRODUCTION

- 1.1. The Board of Directors (the "**Directors**") of Aspen (Group) Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") wishes to announce that the Company has on 30 April 2018 entered into a placement agreement (the "**Placement Agreement**") with Oxley Holdings Limited (the "**Placee**"), pursuant to which the Company has agreed to allot and issue and, the Placee has agreed to subscribe for an aggregate of 97,000,000 new ordinary shares in the capital of the Company (the "**Placement Shares**"), subject to and upon the terms and conditions of the Placement Agreement (the "**Placement**").
- 1.2. The issue price of each Placement Share is S\$0.24 ("**Issue Price**"), with the aggregate placement consideration, payable in cash on the Completion Date (as defined herein), amounting to S\$23,280,000.
- 1.3. The Placement Price of S\$0.24 per Placement Share represents a 14.72% premium to the volume weighted average price of S\$0.2092 for each share in the Company ("**Share**"), based on trades done on the Shares on the Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 27 April 2018 (being the preceding market day prior to the signing of the Placement Agreement on 30 April 2018) up to the time the Placement Agreement is signed. For illustrative purposes only, the Placement Price represents a 11.27% premium to the volume weighted average price of S\$0.2157 for each share, based on the trades done on the Shares on the Catalist for the period from 2 April 2018 to 27 April 2018.
- 1.4. The Placement Shares shall be issued free from all encumbrances whatsoever and shall rank *pari passu* in all respects with and carry all rights similar to the existing issued Shares except that the Placement Shares will not rank for any dividends, rights, allotments or other distributions, the record date for which falls on or before the date of the issue of the Placement Shares.
- 1.5. No placement agent has been appointed in respect of the Placement. No introducer fee or placement commission has been paid or will be payable by the Company for the Placement.

2. SHARE ISSUE MANDATE

- 2.1. The Placement Shares will be allotted and issued pursuant to the general share issue mandate ("**Share Issue Mandate**") obtained from the shareholders of the Company ("**Shareholders**") by way of an ordinary resolution ("**Resolution**") at its annual general meeting held on 25 April 2018 ("**2018 AGM**").
- 2.2. Pursuant to the Resolution, the Directors are authorised to, *inter alia*, issue new Shares not exceeding 100.0% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company as at the time of the passing of the Resolution, of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing Shareholders shall not exceed 50.0% of the total number of issued Shares

(excluding treasury shares and subsidiary holdings) in the capital of the Company as at the time of the passing of the Resolution, after adjusting for such events as provided for in Rule 806(3) of the Listing Manual Section B: Rules of Catalist of the SGX-ST.

- 2.3. The total number of issued Shares (excluding treasury shares and subsidiary holdings) as at the date of the 2018 AGM was 866,617,900 Shares and a maximum of 50.0% of such Shares to be issued other than on a pro-rata basis to Shareholders would be 433,308,950 Shares. As at the date of this announcement, the Company has not issued any Shares under the Share Issue Mandate. Accordingly, the proposed allotment and issuance of the 97,000,000 Placement Shares will fall within the limits of the Share Issue Mandate.
- 2.4. Assuming the successful allotment and issue of the 97,000,000 Placement Shares, the Company's issued and paid-up share capital will increase from 866,617,900 Shares to 963,617,900 Shares. The aggregate Placement Shares represents 11.19% of the existing issued and paid-up share capital of the Company and approximately 10.07% of the enlarged issued and paid-up share capital of the Company following the allotment and issuance of the Placement Shares.

3. THE PLACEE

- 3.1. The Placee is an investment holding company listed on the Mainboard of the SGX-ST which engages in property investment and development, and project management activities in Singapore, the United Kingdom, Ireland, Cambodia, Malaysia, Indonesia, China, Japan, Myanmar, Australia, and Cyprus. Its property development portfolio includes residential, commercial, industrial, and hospitality projects. The Placee also sells and markets homes, provides property construction, homes letting services, and consultancy services.
- 3.2. The Placee was introduced to the Company through Dato' Murly Manokharan, the Executive Director, President and Group Chief Executive Officer of the Group. The Placee is investing in the Company as it is envisaged that the Placement will enable the Placee and the Company to harness synergies as both entities are principally engaged in the business of property development and property investment. The Placee and the Group may, in future, engage in joint ventures for the development of the Placee's property development projects in Malaysia, and they may collaborate to market their respective property developments. The Company and the Placee may also co-invest in suitable property developments in the region.
- 3.3. The Placee is subscribing for the Placement Shares as principal and not as agent or nominee on behalf of any other person and the Placee is not acting in concert with any existing shareholders of the Company.
- 3.4. As at the date of this announcement, the Placee does not hold any Shares in the Company. None of the Placement Shares will be placed to any person who is a director or a substantial shareholder of the Company, or any other person falling within the categories set out in Rule 812 of the Catalist Rules. The Placement Shares will not result in a transfer of controlling interest of the Company.
- 3.5. The Company confirms its Directors and/or substantial Shareholders do not have, to the best of their knowledge, any connection (including business relationship) with the Placee.

4. CONDITIONS PRECEDENT TO COMPLETION

- 4.1. Completion of the Placement ("**Completion**") is to take place on the date falling seven (7) business days after SGX-ST grants the listing and quotation notice for the listing and

quotation of the Placement Shares on the Catalist, but in any event not a date later than the date falling four (4) weeks after the date of the Placement Agreement, or such other date as the Company and the Placee may mutually agree ("**Completion Date**").

4.2. The obligations of the Company and the Placee to consummate the Completion are conditional upon the following conditions having been fulfilled (or waived), *inter alia*:

- (a) listing and quotation notice for the additional listing application for the listing and quotation of the Placement Shares on the SGX-ST being obtained from the SGX-ST and not having been revoked or amended and, where such approval is subject to conditions, to the extent that any conditions for the listing and quotation of the Placement Shares on the SGX-ST are required to be fulfilled on or before Completion Date, they are so fulfilled;
- (b) the allotment, issue and subscription of the Placement Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after the date of the Placement Agreement by any legislative, executive or regulatory body or authority of Singapore which is applicable to the Company; and
- (c) the representations and warranties of the Company herein being true, accurate and correct in all material respects as if made on the Completion Date, with reference to the then existing circumstances and the Company having performed in all material respects all of its obligations hereunder to be performed on or before the Completion Date.

4.3. The Placee may, upon such terms as they think fit, waive compliance with any of the conditions contained above and any condition so waived shall be deemed to have been satisfied. If any of the conditions above have not been satisfied on or before the cut-off date as provided for in the Placement Agreement, the Placement Agreement shall terminate and shall be of no further effect and no Party hereto shall be under any liability to the other in respect of the Placement Agreement.

5. RATIONALE AND USE OF NET PROCEEDS

5.1. The Placement will allow the Group to tap into the synergistic opportunities that the Placee may be able to offer as both entities are principally engaged in the business of property development and property investment. The Company intends to harness a long-term and mutually beneficial relationship with the Placee to enable the Group to capitalise on growth opportunities including by co-investing in suitable property developments in the region. The Placement is also meant to raise funds for the Group's acquisition of land banks and future developments, and support additional working capital requirements which may arise from the growth of its business

5.2. The proceeds from the Placement, after deducting estimated expenses including the professional fees and expenses of approximately S\$35,000, will amount to approximately S\$23,245,000 ("**Net Proceeds**"). The Company intends to utilise the Net Proceeds in the following manner:

- (a) approximately 70.0% of the Net Proceeds will be used for the acquisition of land banks and future developments; and
- (b) approximately 30.0% of the Net Proceeds will be used for working capital requirements which may arise from the growth of the Group's business.

- 5.3. Pending the deployment of the Net Proceeds for the purposes mentioned above, the Net Proceeds may, subject to relevant laws and regulations, be deposited with banks and/or financial institutions, invested in short-term money markets or debt instruments, or for any other purposes on a short-term basis as the Directors may in their absolute discretion deem appropriate in the interests of the Group.
- 5.4. The Company will make periodic announcements on the utilisation of the Net Proceeds from the Placement as and when the Net Proceeds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated in this announcement. The Company will also provide a status report on the use of such proceeds in its interim and full year financial statements issued under Rule 705 of the Catalist Rules and its annual report. Where the Net Proceeds have been used for working capital purposes, the Company will provide a breakdown with specific details on how the Net Proceeds have been applied. Where there is any material deviation from the stated use of the Net Proceeds, the Company will announce the reasons for such deviation.
- 5.5. Further, as at the date of this announcement, the Company has utilised approximately S\$26.65 million of the net proceeds of approximately S\$36.72 million from the initial public offering ("IPO"), in accordance with the use of proceeds described in the offer document dated 19 July 2017 (the "**Offer Document**"). A detailed breakdown of the usage of the net proceeds of the IPO is set out in the Company's annual report for the financial year ended 31 December 2017 and will be updated in the next quarterly financial results announcement. As at the date of this announcement, the utilisations of the IPO net proceeds have been in accordance with its intended use and percentage allocated, as stated in the Offer Document.

6. FINANCIAL EFFECTS OF THE PLACEMENT

- 6.1. As at the date of this announcement, the issued and paid-up share capital of the Company is S\$55,152,811 comprising 866,617,900 Shares. On Completion, the issued and paid-up share capital of the Company will increase to S\$78,432,811 comprising 963,617,900 Shares.
- 6.2. Based on the audited consolidated financial statements of the Group for the financial period from 22 December 2016 (date of incorporation) to 31 December 2017:
- (a) assuming the Placement was completed on 28 July 2017 (being the date of listing of the Company) with all the Placement Shares being in issue during the period, the net loss per share of the Group after adjusting for the Placement Shares will decrease from 0.012 Singapore cents to 0.011 Singapore cents; and
 - (b) assuming the Placement was completed on 31 December 2017, the net asset value per share of the Group after adjusting for the Placement Shares and the net proceeds of the Placement will increase from 11.20 Singapore cents to 12.49 Singapore cents.
- 6.3. The financial effects of the Placement on the Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Group after the completion of the Placement.

7. CONFIRMATION BY THE DIRECTORS

The Directors are of the opinion that after taking into consideration the Group's present bank facilities, the working capital available to the Group as at the date of this announcement is sufficient to meet its present requirements. Notwithstanding the above, the purpose of the Placement is to raise funds for the Group's acquisition of land banks and future

developments, support additional working capital requirements which may arise from the growth of its business, and to harness business synergies with the Placee.

8. ADDITIONAL LISTING APPLICATION

- 8.1. The sponsor of the Company, PrimePartners Corporate Finance Pte. Ltd., will be submitting an application on behalf of the Company to the SGX-ST for the listing and quotation of the Placement Shares on the Catalist.
- 8.2. The Company will make the necessary announcements once the listing and quotation notice for the listing and quotation of the Placement Shares on the Catalist is obtained from the SGX-ST.

9. NO PROSPECTUS OR OFFER INFORMATION STATEMENT

The Placement Shares will be offered pursuant to the exemption under Section 272B of the Securities and Futures Act, Chapter 289 of Singapore, and therefore there will not be any prospectus or offer information statement issued in connection with the Placement.

10. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

None of the Directors and substantial Shareholders has any interest, direct or indirect, in the Placement (other than through their respective shareholdings and/or directorships in the Company, if any).

11. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Placement, the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in the announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the announcement in its proper form and context.

12. CAUTIONARY STATEMENT

Shareholders and potential investors should exercise caution when trading in the shares of the Company in relation to this announcement as there is no certainty that the Placement will be completed as it is subject to the fulfilment of terms and conditions as set out in the Placement Agreement. When in doubt as to the action they should take, Shareholders and potential investors should consult their financial, tax or other advisors.

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan

Executive Director, President and Group Chief Executive Officer

30 April 2018

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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