

PRESS RELEASE - FOR IMMEDIATE RELEASE

Aspen Achieves Strong Revenue and Net Profit Growth in Q2 FY2018

- *Revenue rose 88% to RM131.8 million and net profit attributable to shareholders grew 51% to RM20.2 million in Q2 FY2018*
- *Total unbilled sales from four ongoing projects amounted to RM650.5 million as at 30 June 2018*
- *The IKEA Store, scheduled to open for business in March 2019, will create a thriving community at Aspen Vision City, which in turn will serve as a catalyst in the further development of Batu Kawan*

Singapore, 7 August 2018 – Aspen (Group) Holdings Limited (“Aspen” and together with its subsidiaries, the “Group”), co-developer of Aspen Vision City at Batu Kawan Penang with IKEA Southeast Asia, today announced its results for the second quarter and half year ended 30 June 2018 (“**Q2 FY2018**” and “**1H FY2018**”, respectively).

Q2 and 1H FY2018 Results Review

In Q2 FY2018, the Group continued to record strong revenue growth on the back of further progress in the construction of ongoing projects namely, Tri Pinnacle, Vervéa and Vertu Resort. Revenue rose to RM131.8 million, an increase of 88% compared to RM70.0 million in the previous corresponding period. As of 30 June 2018, the Group has achieved sales of 83.90% of units at Tri Pinnacle and 65.64% of units at Beacon Executive Suites, the SOHO units strategically located in the heart of Georgetown. As for Vervéa, the commercial property project and Vertu Resort, the residential project both at Aspen Vision City (AVC), sales

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)

improved to 88.74% and 68.94% of total units respectively. Based on these four ongoing projects, the Group has total unbilled sales of RM650.5 million as at 30 June 2018.

Due to market uncertainties and weaker sentiments prior to the Malaysian 2018 General Election, lower levels of promotional and marketing activities were conducted by the Group during Q2 FY2018 and this had led to a decrease in selling and distribution expenses. Bolstered by higher revenue and lower overall operating cost, results from operating activities improved 62% to RM34.8 million in Q2 FY2018. Despite increased tax expense arising from higher taxable profits, net profits attributable to shareholders rose by a significant 51% to RM20.2 million.

For the 1H FY2018, the Group's revenue increased 117% to RM234.5 million and net profit attributable to shareholders grew 80% to RM33.3 million.

Prospects

The general market sentiments for the property industry improved following the change of government after the 14th General Election in Malaysia. In view of the "tax holiday period" arising from changes in fiscal policies in Malaysia, the Group capitalized on the increased buyer confidence and spending power by launching marketing campaigns that highlighted the distinctive values of its projects and the assistance provided to ease the financial burden of purchasers. The campaigns were well-received and resulted in sales for the Group's ongoing projects.

The Housing and Local Government Ministry has been directed to consolidate and streamline the country's housing policies with the aim of promoting affordable housing equipped with amenities and facilities. The Ministry is also continuing its discussion with Bank Negara Malaysia, the Employees Provident Fund, bank representatives and relevant associations to ensure that the new housing policy can resolve issues pertaining to home ownership.

"A key focus of the Ministry is the provision of affordable housing with readily available amenities and easily accessible public transportation. We consider these factors as unique selling points for our existing developments," commented Dato' M. Murly, President and Chief Executive Officer of Aspen.

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)

“These positive developments have renewed confidence in the property market and will encourage hesitant buyers to resume investing in properties. We are optimistic that there will be an uplift in market sentiments following such directives,” Dato’ Murly added.

The completion of the RM4.5 billion Penang Second Bridge in 2014 has directly linked Batu Kawan to Penang Island, making Batu Kawan an ideal location for high-technology and skills-intensive industries. Numerous international organisations, including some of the Fortune 500 companies have invested in manufacturing plants in Batu Kawan Industrial Park. IKEA Southeast Asia, our joint developer at Aspen Vision City, is building its first store in the Northern Region of Peninsular Malaysia in AVC. The IKEA Store, scheduled to open in March 2019, is expect to attract up to 6.5 million potential shoppers within a 100 kilometre radius. The IKEA Store will support a thriving community at AVC, which in turn will serve as a catalyst in the further development of Batu Kawan.

The Group is finalising its four pipeline projects, namely HH Park Residence, Viluxe Designer Bungalows, Vittoria Financial Centre and Vogue Lifestyle Residence for sale and is targeting to launch these projects in early 2019. In addition, the Group will remain active in exploring various investment opportunities and fundraising options to finance its strategic plans.

This press release should be read in conjunction with Aspen’s Q2 FY2018 results announcement released on 7 August 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-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

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)

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, Continuing Sponsorship (Mailing Address: 16 Collyer Quay, #10-00 Income at Raffles, Singapore 049318 and E-mail: sponsorship@ppcf.com.sg).

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  / aspengroup.my