ASPEN (GROUP) HOLDINGS LIMITED
(Company Registration No. 201634750K)

Unaudited Financial Statement and Dividend Announcement
For the third quarter and nine months ended 30 September 2018

Aspen (Group) Holdings Limited (the "**Company**") was incorporated in the Republic of Singapore on 22 December 2016 under the Companies Act (Chapter 50) of Singapore as a private limited company. The Company and its subsidiaries (the "**Group**") were formed pursuant to a restructuring exercise (the "**Restructuring Exercise**") prior to the initial public offering and its listing on the Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 28 July 2017. The Restructuring Exercise was completed on 21 June 2017. Please refer to the Company's Offer Document dated 19 July 2017 (the "**Offer Document**") for further details on the Restructuring Exercise.

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. The Group also has several on-going developments in Penang Island as well as land bank in Selangor.

PART I – INFORMATION REQUIRED FOR ANNOUNCEMENT OF QUARTERLY (Q1, Q2 & Q3) AND HALF-YEAR RESULTS

1(a)(i) An income statement and statement of comprehensive income, or a statement of comprehensive income (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

		Group 3 Months Ended		%	Group 9 Months Ended		%
	Note	**30.09.18 Unaudited RM'000**	**30.09.17 Unaudited RM'000**	**Change**	**30.09.18 Unaudited RM'000**	**30.09.17 Unaudited RM'000**	**Change**
Revenue	8a(i)	144,313	137,920	5	378,787	245,948	54
Cost of sales	8a(ii)	(109,300)	(82,606)	32	(262,703)	(140,945)	86
Gross profit		35,013	55,314	(37)	116,084	105,003	11
Other income	8a(iii)	3,076	929	231	4,464	1,119	299
Administrative expenses	8a(iv)	(9,082)	(12,972)	(30)	(29,039)	(27,167)	7
Selling and distribution expenses	8a(v)	(1,559)	(2,008)	(22)	(6,893)	(7,211)	(4)
Other expenses	8a(vi)	50	(71)	N.M.	(11)	(71)	(85)
Results from operating activities		27,498	41,192	(33)	84,605	71,673	18
Finance income	8a(vii)	644	1,050	(39)	1,856	1,746	6
Finance costs	8a(viii)	(422)	(489)	(14)	(1,267)	(1,335)	(5)
Net finance income		222	561	(60)	589	411	43
Share of (loss)/profit of associates, net of tax	8a(ix)	(477)	(3)	N.M.	63	9	N.M.
Profit before tax		27,243	41,750	(35)	85,257	72,093	18
Tax expense	8a(x)	(7,593)	(12,203)	(38)	(25,148)	(20,517)	23
Profit for the period representing total comprehensive income for the period		19,650	29,547	(33)	60,109	51,576	17
Profit /total comprehensive income attributable to:							
Equity holders of the Company		16,874	24,947	(32)	50,179	43,441	16
Non-controlling interest		2,776	4,600	(40)	9,930	8,135	22
		19,650	29,547	(33)	60,109	51,576	17

N.M. – Not meaningful

1(a)(ii) Notes to Consolidated Statement of Comprehensive Income

	Note	Group 3 Months Ended 30.09.18 Unaudited RM'000	Group 3 Months Ended 30.09.17 Unaudited RM'000	% Change	Group 9 Months Ended 30.09.18 Unaudited RM'000	Group 9 Months Ended 30.09.17 Unaudited RM'000	% Change
Profit before tax is arrived at:							
After crediting:							
Interest income	8a(vii)	644	1,050	(39)	1,856	1,746	6
Gain on disposal of property, plant and equipment		-	-		2	85	(98)
Amortisation of deferred income	8a(ii)	6,396	8,381	(24)	21,205	18,921	12
And after charging:							
Depreciation of property, plant and equipment		1,401	1,473	(5)	4,179	3,985	5
Interest expense	8a(viii)	422	489	(14)	1,267	1,335	5
Listing expenses		-	7,031	N.M.	-	7,031	N.M.
Payroll expense		3,804	2,308	65	9,524	6,634	44
Unrealised loss from downstream income from Associate		-	24	N.M.	12	24	(50)
Write off of property, plant and equipment		-	71	N.M.	9	71	(87)

N.M. – Not meaningful

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

	Note	Group		Company	
		30.09.18	**31.12.17**	**30.09.18**	**31.12.17**
		Unaudited	**Audited**	**Unaudited**	**Audited**
		RM'000	**RM'000**	**RM'000**	**RM'000**
Non-current assets					
Property, plant and equipment		62,630	55,541	-	-
Land rights		30,468	30,468	-	-
Investment in subsidiaries		-	-	151,041	151,041
Investment in associates		68,611	48,700	-	-
Deferred tax assets		10,227	10,550	-	-
	8b(i)	171,936	145,259	151,041	151,041
Current assets					
Development properties		330,665	282,726	-	-
Inventories		99,703	99,703	-	-
Contract assets		31,758	12,407	-	-
Trade and other receivables		74,123	83,717	31,602	-
Cash and cash equivalents		172,124	139,988	45,242	9,124
	8b(ii)	708,373	618,541	76,844	9,124
Total assets		880,309	763,800	227,885	160,165
Current liabilities					
Trade and other payables		214,634	217,458	330	654
Contract liabilities		48,236	59,153	-	-
Loans and borrowings		27,773	45,624	-	-
Current tax liabilities		5,302	4,547	-	-
	8b(iii)	295,945	326,782	330	654
Non-current liabilities					
Trade and other payables		41,665	-	-	-
Loans and borrowings		69,849	71,645	-	-
Deferred income		27,364	48,569	-	-
Deferred tax liabilities		13,934	14,256	-	-
	8b(iv)	152,812	134,470	-	-
Total liabilities		448,757	461,252	330	654
Equity					
Share capital		237,241	168,346	237,241	168,346
Reserves		168,115	117,936	(9,686)	(8,835)
Equity attributable to owners of the Company		405,356	286,282	227,555	159,511
Non-controlling interests		26,196	16,266	-	-
Total equity		431,552	302,548	227,555	159,511
Total equity and liabilities		880,309	763,800	227,885	160,165

1(b)(ii) Aggregate amount of group's borrowings and debt securities

Amount repayable in one year or less, or on demand

As at 30.09.18 Unaudited		As at 31.12.17 Audited	
Secured RM'000	**Unsecured RM'000**	**Secured RM'000**	**Unsecured RM'000**
27,773	-	45,624	-

Amount repayable after one year

As at 30.09.18 Unaudited		As at 31.12.17 Audited	
Secured RM'000	**Unsecured RM'000**	**Secured RM'000**	**Unsecured RM'000**
60,449	9,400	62,245	9,400

Details of any collateral

The loans and borrowings are secured by the freehold land, fixed and floating charges over certain subsidiaries' present and future assets and undertakings, fixed deposits placed by the subsidiaries, corporate guarantees by subsidiaries, pledge of shares held by the holding company, deed of assignment of benefits of certain contract proceeds, and joint and several guarantee by certain directors of the subsidiaries.

1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Statement of Cash Flows

	Group 3 Months Ended		Group 9 Months Ended	
	30.09.18 Unaudited RM'000	**30.09.17 Unaudited RM'000**	**30.09.18 Unaudited RM'000**	**30.09.17 Unaudited RM'000**
Cash flows from operating activities				
Profit before tax	27,243	41,750	85,257	72,093
Adjustments for:				
Depreciation of property, plant and equipment	1,401	1,473	4,179	3,985
Gain on disposal of property, plant and equipment	-	-	(2)	(85)
Amortisation of deferred income	(6,396)	(8,381)	(21,205)	(18,921)
Interest expense	422	489	1,267	1,335
Interest income	(644)	(1,050)	(1,856)	(1,746)
Listing expenses	-	7,031	-	7,031
Loss on disposal of property, plant and equipment	2	-	2	-
Share of results of equity-accounted investees	477	3	(63)	(9)
Unrealised loss from downstream income from associate	-	24	12	24
Write off of property, plant and equipment	-	71	9	71
	22,505	41,410	67,600	63,778
Changes in development properties	(23,205)	16,607	(47,079)	(11,399)
Changes in contract assets	(17,886)	-	(19,351)	-
Changes in trade and other receivables	8,931	(54,986)	11,472	(61,732)
Changes in trade and other payables	65,207	21,046	38,841	14,578
Changes in contract liabilities	(29,743)	(28,214)	(10,917)	(859)
Cash generated from/(used in) operations	25,809	(4,137)	40,566	4,366
Tax paid	(4,821)	(3,701)	(26,270)	(8,194)
Net cash from/(used in) operating activities	20,988	(7,838)	14,296	(3,828)
Cash flows from investing activities				
Acquisition of property, plant and equipment	(3,805)	(13,830)	(11,055)	(18,058)
Proceeds from disposal of property, plant and equipment	4	-	8	362
Interest received	644	1,050	1,856	1,746
Additions of investment in associates	(300)	(17,400)	(19,860)	(21,150)
Net cash used in investing activities	(3,457)	(30,180)	(29,051)	(37,100)

	Group 3 Months Ended		Group 9 Months Ended	
	30.09.18 Unaudited RM'000	30.09.17 Unaudited RM'000	30.09.18 Unaudited RM'000	30.09.17 Unaudited RM'000
Cash flows from financing activities				
Proceeds from issuance of shares	-	128,418	-	128,418
Proceeds from issuance of shares through private placement	-	-	68,895	-
Listing expenses	-	(11,224)	-	(11,224)
Changes in fixed deposit pledged	(1,036)	(1,395)	(1,259)	(2,576)
Proceeds from drawdown of loans and borrowings	3,448	28,718	3,471	55,960
Repayment of loans and borrowings	(1,627)	(40,315)	(22,784)	(72,001)
Repayment of finance lease liabilities	(184)	(191)	(564)	(898)
Interest paid	(422)	(481)	(2,127)	(1,627)
Net cash from financing activities	179	103,530	45,632	96,052
Net increase in cash and cash equivalents	17,710	65,512	30,877	55,124
Cash and cash equivalents at the beginning of financial period	147,429	90,034	134,262	100,422
Cash and cash equivalents at end of the financial period	165,139	155,546	165,139	155,546

Cash and cash equivalents included in the consolidated statement of cash flows comprises the followings:

	Group	
	30.09.18 Unaudited RM'000	30.09.17 Unaudited RM'000
Cash and cash equivalents	172,124	161,083
Less: Fixed deposits pledged to financial institutions	(6,985)	(5,537)
	165,139	155,546

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year

Consolidated Statement of Changes in Equity

Group	Share capital RM'000	Merger reserves RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 July 2018	237,241	37,442	113,799	388,482	23,420	411,902
Profit for the period representing total comprehensive income for the period	-	-	16,874	16,874	2,776	19,650
At 30 September 2018	237,241	37,442	130,673	405,356	26,196	431,552

Group	Share capital RM'000	Other reserves RM'000	Merger reserves RM'000	(Accumulated losses)/ Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 July 2017	44,341	-	37,442	13,580	95,363	6,913	102,276
Profit for the period representing total comprehensive income for the period	-	-	-	24,947	24,947	4,600	29,547
Issuance of New Shares pursuant to IPO	128,418	-	-	-	128,418	-	128,418
Capitalisation of listing expenses	(4,193)	-	-	-	(4,193)	-	(4,193)
At 30 September 2017	168,566	-	37,442	38,527	244,535	11,513	256,048

Statement of Changes in Equity

Company	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
At 1 July 2018	237,241	(10,356)	226,885
Profit for the period representing total comprehensive income for the period	-	670	670
At 30 September 2018	237,241	(9,686)	227,555

Company	Share capital RM'000	Accumulated losses RM'000	Total equity RM'000
At 1 July 2017	44,341	(7)	44,334
Issuance of New Shares pursuant to IPO	128,418	-	128,418
Capitalisation of listing expenses	(4,193)	-	(4,193)
Loss for the period representing total comprehensive income for the period	-	(7,234)	(7,234)
At 30 September 2017	168,566	(7,241)	161,325

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Share Capital – Ordinary Shares

	No. of issued shares	Issued and paid-up capital RM
Balance as at 30 June 2018 and 30 September 2018	963,617,900	237,240,944

The Company did not have any outstanding options and convertibles as at 30 September 2018 and 30 September 2017. There were no treasury shares and subsidiary holdings as at 30 September 2018 and 30 September 2017.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year

	30.09.18	31.12.17
Total number of issued shares (excluding treasury shares)	963,617,900	866,617,900

There were no treasury shares as at 30 September 2018 and 31 December 2017.

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Not applicable. There were no treasury shares during and as at the end of the current financial period reported on.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

Not applicable. There were no subsidiary holdings during and as at the end of the current financial period reported on.

2. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice

The figures have not been audited or reviewed by the auditors of the Company.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter)

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied

Except as disclosed in paragraph 5 below, the accounting policies and methods of computation adopted in the financial statements for the current reporting period are consistent with those disclosed in the audited financial statements for the financial year ended 31 December 2017.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change

The Group has adopted a new financial reporting framework, Singapore Financial Reporting Standards (International) (SFRS(I)s), on 1 January 2018.

The Group will be required to apply the specific transition requirements in SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International).* In addition to the adoption of the new framework, the Group will also concurrently apply the following SFRS(I)s, interpretations of SFRS(I)s and requirements of SFRS(I)s which are mandatorily effective from the same date:

- SFRS(I) 9 *Financial Instruments* which includes the amendments to IFRS 4 *Insurance Contracts* – Applying IFRS 9 *Financial Instruments* with IFRS 4 *Insurance Contracts* issued by the IASB in September 2016;
- requirements in SFRS(I) 2 Share-based Payment arising from the amendments to IFRS 2 – *Classification and Measurement of Share-based Payment Transactions* issued by the IASB in June 2016;
- requirements in SFRS(I) 1-40 *Investment Property* arising from the amendments to IAS 40 – *Transfers of Investment Property* issued by the IASB in December 2016;
- requirements in SFRS(I) 1-28 *Investments in Associates and Joint Ventures* arising from the amendments to IAS 28 – *Measuring an associate or joint venture at fair value* issued by the IASB in December 2016; and
- SFRS(I) INT 22 *Foreign Currency Transactions and Advance Consideration*.

The Group does not expect the application of the above standards and interpretations to have a significant impact on the consolidated financial statements for the current financial period reported on.

6. **Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	Group 3 Months Ended		Group 9 Months Ended	
	30.09.18	**30.09.17**	**30.09.18**	**30.09.17**
Profit attributable to equity holders of the Company (RM'000)	16,874	24,947	50,179	43,441
Weighted average number of ordinary shares ('000)[1]	926,147	767,878	926,147	767,878
Basic and diluted earnings per share (RM cents)[2]	1.82	3.25	5.42	5.66

Notes:

1) EPS for the current financial period has been computed based on share capital of 926,146,667 shares. For comparative purposes, the EPS for the corresponding period of the immediately preceding financial year has been computed based on share capital of 767,877,736 shares assuming the Restructuring Exercise has been completed as at 1 January 2017.

2) The basic and diluted earnings per share are the same as the Company did not have any potentially dilutive instruments for the respective financial periods.

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the**
(a) Current period reported on; and
(b) Immediately preceding financial year

	Group		Company	
	30.09.18	**31.12.17**	**30.09.18**	**31.12.17**
Net asset value (RM'000)	405,356	286,282	227,555	159,511
Number of ordinary shares in issue ('000)	963,618	866,618	963,618	866,618
Net asset value per ordinary share (RM cents)	42.07	33.03	23.61	18.41

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss:-**

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

Review for the performance of the Group for the 3 months ended 30 September 2018 ("3Q FY2018) as compared to the previous corresponding quarter ended 30 September 2017 ("3Q FY2017").

Consolidated Statement of Comprehensive Income
3Q FY2018 compared to 3Q FY2017

(i) Revenue
The Group recorded revenue of RM144.31 million for 3Q FY2018, an increase of 5% as compared to 3Q FY2017. Revenue was contributed mainly by further progress of construction at our three on-going projects, Tri Pinnacle, Vervéa and Vertu Resorts.

(ii) Cost of sales
Cost of sales increased by 32% to RM109.30 million for 3Q FY2018 as a result of the construction activities for the Tri Pinnacle, Vervéa and Vertu Resorts projects. Deferred income on housing quotas are amortised to profit or loss based on the progress of construction of the Tri Pinnacle project.

(iii) Other income
Other income increased by 231% to RM3.08 million for 3Q FY2018. This is mainly due to an increase in project management fees of RM1.23 million, unrealised foreign exchange translation gain from fixed deposits placed of RM0.89 million and rental income of RM0.03 million.

(iv) Administrative expenses
Administrative expenses decreased by 30% to RM9.08 million in 3Q FY2018 mainly due to listing expenses of RM7.03 million incurred in 3Q FY2017.

(v) Selling and distribution expenses
Selling and distribution expenses decreased by 22% to RM1.56 million in 3Q FY2018 mainly due to the scaling back of marketing and promotional activities consistent with subdued market sentiments during 3Q FY2018.

(vi) Other expenses
Other expenses decreased in 3Q FY2018 due to the reversal of unrealised foreign exchange translation loss from fixed deposits placed.

(vii) Finance income
Finance income decreased by 39% to RM0.64 million in 3Q FY2018 although cash and cash equivalents were higher as compared to 3Q FY2017. This is because bank balances in 3Q FY2018 are mainly maintained in the Housing Development Accounts pursuant to Section 7A of the Housing Development (Control and Licensing) Act, 1966 or Project Operating Accounts and are restricted from use in other operation. These accounts generate lower interest income as compared to commercial deposit account.

(viii) Finance costs
Finance costs decreased by 14% to RM0.42 million in 3Q FY2018 due to a decrease in interest incurred on revolving credit as the Group had fully settled its revolving credit facility in Q3 FY2017.

(ix) Share of loss of associates
The share of loss of associates increased to RM0.48 million in 3Q FY2018 mainly due to quit-rent and assessment paid in relation to the purchase of land as announced on 13 June 2018 and other general expenses incurred from operations of the associates.

(x) Tax expense
In 3Q FY2018, a lower tax expense is incurred in line with the lower taxable profits of the Group.

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on

Consolidated Statement of Financial Position

(i) Non-current assets
The Group's non-current assets increased by RM26.68 million from RM145.26 million as at 31 December 2017 to RM171.94 million as at 30 September 2018, primarily due to the following:-

- additional capital injection of RM3.30 million into associate, Bandar Cassia Properties (SC) Sdn. Bhd. and RM16.56 million into associate, Global Vision Logistics Sdn. Bhd. and profit of RM0.05 million from investment in associates;
- increase in property, plant and equipment of RM7.09 million mainly due to additional RM11.27 million capital investment attributable to the construction of a carpark and customer experience centre, offset against depreciation charge of RM4.18 million; offset against
- decrease in deferred tax assets of RM0.32 million from the reversal of deferred tax assets recognised on unrealised profits.

(ii) Current assets
The Group's current assets increased by RM89.83 million from RM618.54 million as at 31 December 2017 to RM708.37 million as at 30 September 2018, primarily due to the followings:

- increase in development properties of RM47.94 million from development costs incurred for the on-going projects;
- increase in cash and cash equivalents of RM32.13 million due to proceeds from private placement of RM68.90 million, offset against the repayment of borrowings and the acquisition of property, plant and equipment;
- increase in contract assets amounting to RM19.35 million from the increase in cost incurred and profits recognised for Tri Pinnacle and Vertu projects which exceeded progress billings; offset against
- decrease in trade and other receivables of RM9.59 million contributed by the payments received from purchasers on progress billings for on-going projects.

(iii) Current liabilities
The Group's current liabilities decreased by RM30.83 million from RM326.78 million as at 31 December 2017 to RM295.95 million as at 30 September 2018, primarily due to the followings:

- decrease in loans and borrowings of RM17.85 million due to repayment;
- decrease in contract liabilities for Vervéa project amounting to RM10.91 million. Contract liabilities represent the progress billings in excess of the cost incurred and profits recognised;
- decrease in trade and other payables of RM2.82 million due to repayment made to contractors for on-going development projects and a reclassification of RM41.67 million retention sums payable from on-going contracts to non-current liabilities; offset against
- increase in current tax liabilities of RM0.75 million from provision for current year tax expense.

(iv) Non-current liabilities

The Group's non-current liabilities increased by RM18.34 million from RM134.47 million as at 31 December 2017 to RM152.81 million as at 30 September 2018, primarily due to the following:-

- Increase in trade and other payables of RM41.67 million being reclassification of retention sums payable for on-going contracts from current liabilities to non-current liabilities as the retention sums will only fall due in the financial year ending 31 December 2020. offset against
- decrease in deferred income of RM21.21 million, which is consistent with the amount of housing quota amortised to income statement based on the progress of the project's development; and
- decrease in loans and borrowings due to repayment.

The Group has a positive working capital of RM412.43 million as at 30 September 2018.

<u>Consolidated Statement of Cash Flows</u>

The Group recorded net cash inflow from operating activities of RM20.99 million in 3Q FY2018, which comprised operating cash inflows after working capital changes of RM26.03 million, net finance income of RM0.22 million and tax payments of RM4.82 million.

Net cash used in investing activities amounted to RM3.46 million mainly from the acquisition of property, plant and equipment of RM3.81 million and the additional investment in associates, Bandar Cassia Properties Sdn. Bhd. of RM0.30 million, offset against interest received of RM0.65 million.

Net cash inflow from financing activities amounted to RM0.18 million being drawdown of loan of RM3.45 million which was utilised for property development activities, offset against the repayment of loans and borrowings and finance lease liabilities of RM1.81 million, interest paid on loans and borrowings of RM0.42 million and additional fixed deposit pledged to financial institutions of RM1.04 million.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The global economic and geopolitical uncertainties are challenges that will continue to affect prospects of Malaysia economy in 2018. According to Bank Negara Malaysia, the Malaysian economy grew at 5.4% in Q1 2018 but moderated to 4.5% in Q2 2018. Although consumer confidence in Malaysia jumped to 132.9 points in Q2 2018, it subsequently declined to 107.5 points in Q3 2018. According to the Malaysian Institute of Economic Research ("MIER"), notwithstanding current cautious sentiments as compared to the previous quarter, consumers are still optimistic about the labour market and their future incomes.

While the Malaysian economy is expected to grow at 5.4% in 2018 driven largely by domestic demand, the property market is expected to remain subdued due to the prevalent oversupply in the commercial and residential sub-sectors. The global economic uncertainties, property affordability, increasing cost of living in the country coupled with rising borrowing cost and difficulty in obtaining end financing continue to have a dampening effect on the property sector. However, policy and process reviews by the new government, with a view to improving governance, accountability and transparency should boost domestic consumer and business confidence in the longer term and help to underpin the economic growth momentum going forward.

In view of the prevailing soft property market, the Group shall focus on the timely completion of its four on-going developments. Tri Pinnacle and Vervea, are expected to obtain the Temporary Occupation Permit (T.O.P.) or Certificate of Completion and Compliance (CCC) in Malaysia's context by December 2018. At the same time, the Group will continue to embark on various marketing campaigns, introduce attractive sales packages for buyers as well as enter into collaborative strategic partnerships to drive sales performance. As at 30 September 2018, our residential projects on Penang Island, namely Tri Pinnacle and Beacon achieved sales of 84.21% and 65.64% respectively.

Further, the Group has invested and will continue to invest in its associated company, Global Vision Logistics Sdn Bhd which will develop a sustainable integrated logistics, warehousing and e-commerce hub in Shah Alam, Selangor. The investment allows the Group to diversify its portfolio given the soft market environment, and will further enhance the Group's brand position. Once completed and operational, the hub is expected to generate long term recurring income and strengthen the Group balance sheet.

Moving forward, the Group will continue to focus on market-driven products and unlock the value of its land bank at strategic locations across the Northern Region of Malaysia, especially its flagship development Aspen Vision City ("AVC") at Batu Kawan, a joint development by the Group and IKEA Southeast Asia. The IKEA Store is scheduled for opening on 28 March 2019 and the resultant traffic and community created is expected to enhance the value of properties at AVC. Together with IKEA Southeast Asia, the Group has also started the ground works for the 1,000,000 square-feet regional integrated shopping centre, which is targeted to open in 2022. As at 30 September 2018, the first two developments at AVC, Vervéa and Vertu Resort, recorded sales of 89.43% and 70.79% respectively. Riding on the high take up rate, the Group intends to soft-launch a mixed development project with an estimated gross development value of RM650 million comprising hotel, office, retail and residences, named Vogue, in Q4 2018. Its residence component, Vogue lifestyle Residences which will be marketed at an affordable price range has to-date received positive response from the public and is expected to generate good sales and contribute to the Group's revenue.

With a healthy balance sheet and strong net cash position as at 30 September 2018, the Group is well placed to capitalise on opportunities to acquire prime land banks and to explore joint ventures. The Group will continue to adopt a strategic and prudent approach focusing on developing affordably-priced homes for Malaysia's young demographic and growing population looking for their first-homes. Barring any unforeseen circumstances, the Group expects its operations to remain stable for the current financial year.

11. Dividend

(a) Current Financial Period Reported On:
Any dividend declared for the current financial period reported on?

No dividend was declared for the current financial period reported on.

(b) Corresponding Period of the Immediately Preceding Financial Year:
Any dividend declared for the corresponding period of the immediately preceding financial year?

No dividend was declared for the corresponding period of the immediately preceding financial year.

(c) Date payable:

Not applicable.

(d) Books closure date:

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect

No dividend has been declared or recommended for the third quarter ended 30 September 2018.

13. If the group has obtained a general mandate from shareholders for interested person transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group does not have an existing general mandate from shareholders for IPT.

Other than the interested person transactions as disclosed previously and on pages 196 to 201 of the Offer Document, there are no IPTs exceeding S$100,000 and above during the financial period under review.

14. Use of IPO proceeds

The Company refers to the net proceeds amounting to S$36.72 million (excluding listing expenses of approximately S$3.13 million) raised from the IPO on the Catalist of the SGX-ST on 28 July 2017.

As at the date of this announcement, the status on the use of the IPO net proceeds is as follow:

Use of IPO Net Proceeds	Amount allocated	Amount utilised	Balance

	S$'000	S$'000	S$'000
Acquisition of land banks and future developments	25,000	(25,000) (1)	-
Repayment of bank borrowings from CIMB Islamic Bank Berhad	2,000	(2,000)	-
Working capital (1)	9,720	(9,720) (2)	-
Total	36,720	(34,738)	-

Notes:

(1) S$6.28 million utilised for the payment of 80% of Parcel 4 land purchase price and the development of a regional integrated shopping centre by an associate, Bandar Cassia Properties Sdn Bhd, S$6.59 million for the payment of 20% of Parcel 5 land purchase price by subsidiary, Aspen Vision City Sdn Bhd as announced on 30 August 2017, S$2.13 million for the payment of 10% deposit for purchase of the freehold land located in Semenyih by a subsidiary, Aspen Vision Development (Central) Sdn Bhd as announced on 28 September 2017, S$7.16 million for the purchase of 3 pieces of leasehold industrial land by an associate, Global Vision Logistics Sdn. Bhd. as announced on 13 June 2018 and 25 July 2018 and S$2.84 million for payment of planning stage expenses for the Beacon and HH Residence projects. The exchange rate as at 2 August 2017 of RM3.1520: S$1.00 is used for the above compilation.

(2) S$9.72 million utilised for working capital consist of payroll payment of S$1.35 million, tax payment of S$6.84 million, repayment of revolving credit interest amounting to S$0.09 million and S$1.44 million for general operational and administrative expenses. The exchange rate as at 2 August 2017 of RM3.1520: S$1.00 is used for the above compilation.

The above utilisations are in accordance with the intended use of the IPO net proceeds and percentage allocated, as stated in the Offer Document.

The Board will continue to update in periodic announcements on the utilisation of the balance of the proceeds from the IPO as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its quarterly and full year financial results announcements.

15. Use of proceeds from Private Placement

The Company refers to the net proceeds amounting to S$23.25 million (excluding placement expenses of approximately S$0.04 million) raised from the private placement which was completed on 21 May 2018.

As at the date of this announcement, the status on the use of the proceeds from the private placement is as follows:

Use of Net Proceeds from Private Placement	Amount allocated S$'000	Amount utilised S$'000	Balance S$'000
Acquisition of land banks and future developments	16,271	(5,227)(1)	11,044
Working capital requirements	6,974	(6,974)(2)	-
Total	23,245	(12,201)	11,044

Notes:

(1) S$5.23 million utilised for late payment interest incurred and balance payment for purchase of the freehold land located in Semenyih by a subsidiary, Aspen Vision Development (Central) Sdn Bhd as announced on 28 September 2017 and 1 November 2018. The exchange rate as at 6 June 2018 of RM2.9770: S$1.00 is used for the above compilation.

(2) S$6.97 million utilised for working capital consist of payment for renovation of the Experience Center ("EC")

of S$0.98 million, payroll payment of S$1.96 million, repayment of interest from borrowings and hire purchase instalments amounting to S$1.23 million, tax payment of S$0.09 million and S$2.71 million for general operational and administrative expenses. The exchange rate as at 6 June 2018 of RM2.9770: S$1.00 is used for the above compilation.

The Board will continue to update in periodic announcements on the utilisation of the balance of the proceeds from the private placement as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its quarterly and full year financial results announcements.

16. Use of disbursement from Convertible Loan

The Company refers to the disbursement amounting to USD$10.89 million (excluding arranger fee of USD$0.11 million) from the acceptance of Convertible Loan from Haitong International Financial Products (Singapore) Pte. Ltd. as announced on 20 May 2018 and 19 October 2018 (the "Convertible Loan").

As at the date of this announcement, the disbursements from the Convertible Loan have not been utilised and are placed in an investment fund to generate interest.

The Board will continue to update in periodic announcements on the utilisation of the Convertible Loan as and when such funds are materially disbursed and provide a status report on such use in its annual report and its quarterly and full year financial results announcements.

17. Confirmation that the issuer has procured undertakings from all its directors and executive officers pursuant to Rule 720(1)

The Company confirms that it has procured undertakings from all its directors and executive officers pursuant to Rule 720(1).

18. Negative confirmation by the Board pursuant to Rule 705(5)

To the best of the Board of Directors' knowledge, nothing has come to their attention which may render the unaudited financial results for the quarter and nine-month financial periods ended 30 September 2018 to be false or misleading in any material aspect.

19. Sustainability reporting

In compliance with Practice Note 7F of the Sustainability Reporting Guide in the Catalist Rules, the Company will be releasing its first Sustainability Report by 31 December 2019, instead of 31 December 2018 as previously disclosed on page 74 of the FY2017 Annual Report.

BY ORDER OF THE BOARD

Dato' Murly Manokharan
President & Group Chief Executive Officer
13 November 2018

*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 announcement 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 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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