

PRESS RELEASE - FOR IMMEDIATE RELEASE

Aspen Maintains Steady Progress With Revenue Growth in Q3 FY2018

- ***Q3 FY2018 revenue of RM144.3 million is 5% higher than Q3 FY2017 and 9% higher than Q2 FY2018***
- ***Construction at three of the four ongoing projects: Tri Pinnacle, Vervea and Vertu Resorts have achieved good progress as of 30 September 2018. Both Tri Pinnacle and Vervea are expected to obtain Temporary Occupation Permit, T.O.P. (Certificate of Completion and Compliance) in December 2018.***
- ***The ongoing projects with strong sales achieved further sales in Q3 FY2018 amidst subdued market sentiments***
- ***The IKEA Store at Aspen Vision City, scheduled to open for business in March 2019, will create a thriving community at AVC, which in turn will serve as a catalyst in the further development of Batu Kawan***

Singapore, 13 November 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 third quarter and nine months ended 30 September 2018.

Q3 and 9M FY2018 Results Review

In the third-quarter for the financial year ending 31 December 2018 (“**3Q FY2018**”), the Group continued its steady pace of construction at three of the four ongoing projects namely, Tri Pinnacle, Vervea and Vertu Resort and recorded a revenue of RM144.3 million, which was 5% higher than the third-quarter for the financial year ended 31 December 2017 (“**3Q FY2017**”)

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and 9% higher than the second quarter for the financial year ended (“2Q FY2017”). Although market sentiments were subdued during the quarter, the Group made incremental sales at its ongoing projects. As of 30 September 2018, Tri Pinnacle the affordable condominium and Beacon Executive Suites with SOHO units strategically located in George Town, both on Penang Island, were 84.21% and 65.64% sold respectively. At Aspen Vision City (AVC), Vervea, the commercial precinct and Vertu Resort, the residential project both managed to improve sales to 89.43% and 70.79% respectively. 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 in December 2018.

With the progress of construction, higher cost of sales incurred was partially offset by lower administrative expenses due to the absence of IPO-related expenses and lower selling and distribution expenses in line with the lower level of promotional and marketing activities conducted during this quarter as compared to 3Q FY2017.

For the nine months ended 30 September 2018, group revenue rose 54% to RM378.8 million and net profit attributable to shareholders grew 16% to RM50.2 million.

Prospects

Despite the global economic and geopolitical uncertainties faced by Malaysia, Bank Negara Malaysia expects the Malaysian economy to grow at 5.4% in 2018 driven largely by domestic demand. However, the property market is expected to remain subdued due to oversupply in the residential sector, consumer affordability, increasing cost of living coupled with rising borrowing cost and difficulty in obtaining end financing. To address some of these headwinds, the new government has undertaken policy and process reviews to improve governance, accountability and transparency which should boost domestic consumer and business confidence to underpin the economic growth momentum.

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 in the prevailing soft property market. In addition to ensuring the timely completion of its four on-going developments, the Group will continue to focus on market-driven products and unlock the value of its land bank in the Northern Region of Malaysia,

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especially at its flagship development Aspen Vision City 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 vibrant community created is expected to enhance the value of properties at AVC. Riding on the high take up rate for Vervea and Vertu Resort, the Group intends to soft launch a mixed development project with an estimated gross development value of RM650 million comprising a 4-star international-class business hotel, office suites, retail spaces and residences, named Vogue, in Q4 2018. A premiere of the Vogue Lifestyle Residences, the residential component situated next to the IKEA Store was held on 10 November. It is marketed at an affordable price range and has to-date received positive response from the aspiring homebuyers and investors alike. Vogue Lifestyle Residences is expected to generate good sales and revenue for the Group upon its official launch.

Together with IKEA Southeast Asia, the Group has also started the ground works for the 1,000,000 square-foot regional integrated shopping centre, which is scheduled to open in 2022. The first of its kind in the Northern Region, the regional integrated shopping centre will be anchored by IKEA and will feature a rooftop garden with al-fresco dining, children's play area and spaces for public events. Similar to other shopping centres anchored by IKEA, it will focus on community events, providing entertainment, leisure, dining and other attractions for families, friends and the community. More than just a shopping centre, it is a destination for the community.

The Group's investment in its associate Global Vision Logistics Sdn Bhd, the developer of a sustainable integrated logistics, warehousing and e-commerce hub in Shah Alam, Selangor will enable the Group to diversify its portfolio and broaden its revenue base to further enhance the Group's brand position. When completed, the hub is expected to generate long term recurring income for the Group.

With a strong balance sheet in a net cash position, 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.

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Barring any unforeseen circumstances, the Group expects its operations to remain stable for the current financial year.

This press release should be read in conjunction with Aspen's Q3 FY2018 results announcement released on 13 November 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 RM1.27 billion. For more information about the Group and its projects, please visit <http://aspen.sg>.



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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.

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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.

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