

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

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**ENTRY INTO A JOINT VENTURE AGREEMENT FOR THE REDEVELOPMENT OF A PIECE OF LAND IN SERI KEMBANGAN, SELANGOR**

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*All capitalised terms used but not defined herein shall have the meaning ascribed to such terms as defined in the announcement by the Company titled "Acceptance of Tender for Redevelopment of a piece of Land in Seri Kembangan, Selangor via a Joint Venture" dated 15 January 2018 (the "Announcement").*

**1. INTRODUCTION**

The Board of Directors (the "**Board**") of Aspen (Group) Holdings Limited (the "**Company**") and together with its subsidiaries, the "**Group**") wishes to announce that Aspen Vision Development Sdn. Bhd. ("**AVD**"), a wholly owned subsidiary of the Company, has on 10 April 2019 entered into a Joint Venture Agreement ("**JVA**") with the Selangor Agricultural Development Corporation ("**PKPS**"), an independent unrelated third party, for the redevelopment of a piece of leasehold commercial land measuring 12,185 square meters held under PN 91582, Lot 100012, Mukim Petaling, District of Petaling, State of Selangor ("**Land**") ("**Project**") pursuant to the terms and conditions of the JVA [which has superseded the terms of the Tender] ("**Joint Venture**").

**2. INFORMATION ON THE PROJECT**

The Land is situated in a prime location within a matured residential township with ready infrastructures and amenities. Neighbouring the Land is a major hypermart, an integrated commercial development and retail shop lots. The Land is also within close proximity to international schools and two proposed MRT stations and is easily accessible via major roads and highways including the Damansara-Puchong Expressway, Putrajaya-KLIA Expressway, Puchong-Sungai Besi Highway, North South Expressway and SKVE Expressway.

AVD intends to develop the Land into a residential development consisting of service apartments complete with full facilities. The gross development value of the Project is estimated to be RM300.0 million. Based on current plans, the development is expected to be launched in Q4 2019.

**3. SALIENT TERMS AND CONDITIONS OF JVA**

The salient terms and conditions of the JVA are as follows: -

(i) Entitlement to PKPS

As the landowner, PKPS shall be entitled to RM58,835,300 i.e. approximately 20% from the gross development value ("**GDV**") of the Project (the "**PKPS's Entitlement**"), subject to agreed adjustments based on the approval obtained for the development's

plot ratio. Approximately 91.5% of PKPS's Entitlement shall be paid to PKPS by cash instalment over the development timeline and the balance of approximately 8.5% of PKPS's Entitlement shall be settled by payment in kind via units from the Project.

(ii) Development Timeline

The development is to be completed within forty-eight (48) months from the Unconditional Date (as defined below) of the JVA or within the extended period as may be approved by the Ministry of Housing and agreed by PKPS, whichever is later.

(iii) Conditions Precedent

The JVA is subject to the compliance of inter alia, the following conditions: -

- (a) the approval of the Ministry of Finance of Malaysia in respect of the Joint Venture and creation of a charge or such other encumbrances over and against the Land as security for financing the development;
- (b) the approval of the planning permission for the Project with the minimum agreed plot ratio;
- (c) the extension of the leasehold tenure of the Land to 99 years from the date of issuance of the new title to the Land; and
- (d) the delivery of vacant possession of the Land to AVD;

(hereinafter collectively referred to as "**Conditions Precedent**") and AVD is entitled to waive or vary all or any of the Conditions Precedent which shall thereafter be deemed to have been fulfilled in accordance with the varied terms (where applicable). The date the JVA shall become unconditional shall be referred to as the "**Unconditional Date**".

(iv) Other Terms

- (a) AVD shall upon its execution of the JVA procure the Company to execute and deliver to PKPS a corporate guarantee from the Company, guaranteeing the payment of the balance 80% of the PKPS's Entitlement.
- (b) AVD shall have the right to require PKPS to charge the Land to such licensed bank in Malaysia after 20% of the PKPS's Entitlement is paid to PKPS.

#### 4. RATIONALE

The Project gives the opportunity for the Group to venture into developments within the Central Region of Malaysia and to establish itself within the said region.

Further, the payment terms, in particular the progress payment over the development timeline and the payment in kind, are beneficial to the Group as it accords flexibility to AVD's project cash flow.

In view of the above, the Board believes that entering into the joint venture with PKPS is in the best interest of the Company and will maximise the interest of the shareholders of the Company.

## 5. FUNDING

The Company intends to utilise RM5,683,530 (approximately SGD1.91 million) of the net proceeds from the placement of an aggregate of 97,000,000 shares in the capital of the Company to Oxley Holdings Limited (as announced on 21 May 2018) (“**Placement**”), out of the SGD2.70 million unutilised and allocated for the acquisition of land banks and future developments, to satisfy the initial payment to be paid upon execution of the JVA. Pursuant to the above utilisation, the balance of the unutilised Placement proceeds allocated for the acquisition of land banks and future developments is SGD0.79 million. The exchange rate used is RM2.9770: SGD1.00 as at 6 June 2018.

The balance cash payment is expected to be satisfied by bank borrowings and/or proceeds from the sale of units from the development.

## 6. FINANCIAL EFFECTS

The entry in the JVA is not expected to have any material impact on the consolidated net tangible assets per share or earnings per share of the Group for the financial year ending 31 December 2019.

## 7. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the directors or the controlling shareholders of the Company has any interests, direct or indirect in the JVA (other than through their respective effective shareholding interests in the Company).

### BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato’ Murly Manokharan  
President and Group Chief Executive Officer  
10 April 2019

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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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