

PRESS RELEASE - FOR IMMEDIATE RELEASE

Aspen Achieves Net Profit of RM4.8 Million In 1Q FY2019

- *Good progress at the four ongoing projects: Tri Pinnacle and Vervea secured TOP in 4Q FY2018 and 1Q FY2019 respectively, construction progressing well at Vertu Resort and Beacon Executive Suites*
- *The IKEA Batu Kawan at Aspen Vision City opened for business in March 2019 to a strong crowd, IKEA will serve as a catalyst in the further development of Batu Kawan, Penang*
- *Vivo Executive Apartment's 1,530 units, in proximity to IKEA Store, opened for booking in April 2019 with 90% take-up rate, which is equivalent to RM450mil in GDV*
- *Two other residential projects at Aspen Vision City, Vogue Lifestyle Residence and Viluxe landed homes will be launched in 2019*

Singapore, 10 May 2019 – 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 first quarter ended 31 March 2019.

1Q FY2019 Results Review

Following the Temporary Occupation Permit (TOP) of Tri Pinnacle in 4Q FY2018, Vervea achieved TOP in 1Q FY2019. Construction of Vertu Resort and Beacon Executive Suites is progressing on schedule and the Group recorded a revenue of RM81 million in 1Q FY2019 with contributions from Vervea, Vertu Resort and Beacon Executive Suites. Compared to the corresponding quarter last year, less revenue was booked due to the completion of Tri

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Pinnacle in 4Q FY2018 and Vervea in 1Q FY2019. Depending on sales and the pace of construction, revenue from property developments can vary from quarter to quarter.

Operating expenses continued to be well managed in 1Q FY2019 but higher finance costs were incurred as the Group scaled up its activities across more projects. After deducting the share of IKEA Southeast Asia, our co-developer of Aspen Vision City, net profit attributable to shareholders of the Company amounted to RM4.8 million in 1Q FY2019.

The four ongoing projects of the Group have achieved good levels of sales, averagely from 70% to 91%. Capitalising on the publicity generated by the opening of the IKEA Store, the Group is working on marketing campaigns and introducing attractive sales packages for buyers as well as enter into collaborative strategic partnerships to improve sales at these four ongoing projects.

Prospects

Market conditions were challenging in 2018 for the Malaysian property market which recorded declines in the volume and values of property transactions. New policies and incentives such as the National Housing Policy 2.0 and property crowdfunding platform launched by the government aimed at stimulating the property market has created some optimism that market conditions might improve in 2019.

According to the National Property Information Centre's (Naptic) Property Market Status Report for 2018, Penang has recorded a decrease of 10.57% unsold units compared with the preceding year. This shows that the market condition is improving, and the Group is ready for more new launches this year.

The Group's flagship project Aspen Vision City ("AVC") at Batu Kawan is strongly supported by major infrastructure like the Penang Second Bridge and the North South Highway. Due to its good potential for growth, AVC has attracted the investment of an IKEA Store. The opening of the IKEA Store in March 2019 has successfully attracted visitors from Penang Island using the Second Bridge and the Northern Region of Peninsula Malaysia via the North-South Highway. Located strategically at AVC, the IKEA Store can be accessed easily by an estimated 6.5 million population in the Northern Region.

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The IKEA Store will serve as a major anchor to support a thriving community at AVC, which will in turn serve as a catalyst in the further development of AVC and Batu Kawan. Despite a subdued start for the property market in 2019, The Group has capitalised on the potential and attractions of AVC to launch our latest residential project, Vivo Executive Apartment. The well-designed Vivo Executive Apartment at the correct price points has received overwhelming response with 90% of the total project booked during a unit selection event held on 20th and 21st April 2019. Strategically integrating with the regional integrated shopping centre anchored by IKEA Batu Kawan, Vivo Executive Apartment enjoys great accessibility and connectivity to the North South Highway, Second Penang Bridge, Central Island Park and all other amenities and conveniences within Aspen Vision City.

Despite a subdued start in 2019, Vivo Executive Apartment attracted a strong take up rate of 90%, which is equivalent to RM450mil in GDV when the 1,530 units development was opened for booking in April 2019. Strategically integrated with the regional shopping centre and the IKEA Batu Kawan, Vivo Executive Apartment enjoys great accessibility and connectivity to excellent infrastructure supported by the full range of amenities and conveniences within AVC.

The Vivo project is expected to commence construction in Q4 FY2019 and slated for completion in Q4 2023. To capitalise on the growing popularity of AVC as a residential community well supported by infrastructure and commercial amenities, the Group will also be launching Vogue Lifestyle Residence and Viluxe landed homes in 2019 to expand its market share.

The Group will continue to maintain a strong liquidity position and will use its financial strength to explore various investment opportunities for growth as well as review fund raising options to finance strategic plans to the benefit of the Group.

This press release should be read in conjunction with Aspen's 1Q FY2019 results announcement released on 10 May 2019 on the SGXNET.

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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, and Selangor. 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.

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

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