

ASPEN (GROUP) HOLDINGS LIMITED

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

- A. COMPLETION OF ACQUISITION OF THE FINAL PARCEL OUT OF A TOTAL OF 245 ACRES IN ASPEN VISION CITY, BANDAR CASSIA, BATU KAWAN, PENANG, MALAYSIA PURSUANT TO THE PURCHASE AND DEVELOPMENT AGREEMENT WITH PENANG DEVELOPMENT CORPORATION; AND**
- B. ACCEPTANCE OF FACILITY AMOUNTING TO RM251.0 MILLION GRANTED BY MAYBANK ISLAMIC BERHAD**
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The Board of Directors (the “**Board**”) of Aspen (Group) Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that a subsidiary of Aspen Vision Land Sdn. Bhd. (“**AV Land**”), a wholly owned subsidiary of the Company, has completed the acquisition of the final parcel (“**Parcel 6**”) out of a total of 245 acres in Aspen Vision City, Batu Kawan, Penang (“**AVC**”), pursuant to the terms and conditions of the Purchase and Development Agreement dated 3 September 2014 (“**PDA**”) entered into between AV Land and Penang Development Corporation (“**PDC**”), which has been disclosed on page 129 of the offer document of the Company dated 19 July 2017 (“**Offer Document**”).

Pursuant to the PDA, AVL is to purchase and develop 245 acres of land in Bandar Cassia, Batu Kawan, Penang via an approximate five (5) year payment plan. Parcel 6 is the final parcel to be acquired under the PDA and the acquisition was completed on 3 October 2019 (the “**Acquisition**”).

- B. ACCEPTANCE OF FACILITY AMOUNTING TO RM251.0 MILLION GRANTED BY MAYBANK ISLAMIC BERHAD**

The Board also wishes to announce that Aspen Vision City Sdn. Bhd. (“**AV City**”), a subsidiary of AV Land, has entered into a Master Facility Agreement with Maybank Islamic Berhad (the “**Lender**”) for the Islamic banking facility of RM251.0 million (approximately SGD83.0 million) in total (the “**Facility**”). The Facility is amongst others, for the purposes of part-financing the acquisition of Parcel 6.

1. SALIENT TERMS OF THE FACILITY

- (i) Tenure of Facility : The tenure of the Facility is up to seven (7) years.

- (ii) Purpose : (a) To part-finance the last payment to PDC for the purchase of the last parcel i.e. Parcel 6 in AVC pursuant to the terms and conditions of the PDA;
- (b) To part-finance the preliminary and construction cost for AV City's residential development known as Vivo to be developed on Plot 21 at AVC;
- (c) For working capital requirements to mobilise future development projects at AVC;
- (d) For issuance of financial guarantees related to future development projects at AVC
- (iii) Securities : The securities to be provided for the Facility are, *inter alia*, as follows: -
 - (a) A first party registered charge to be created over Plot 5, 6, 14A, 15A, 16, 17B, 19, 20B, 21, 23B and 26B all in Mukim 13, Daerah Seberang Perai Selatan, Negeri Pulau Pinang (collectively the "**Properties**") and pending the issuance of the issue document of title, a Deed of Assignment of the rights and interests in the Purchase and Development Agreement over the Properties;
 - (b) Corporate guarantees by Aspen Vision All Sdn. Bhd.; and
 - (c) Corporate guarantees by the Company.
- (iv) Payment : The Facility is to be repaid via a combination of: -
 - (a) Monthly principal payments and the Lender's profit is to be serviced monthly in arrears; and
 - (b) Redemption via development projects undertaken on the Properties.

2. RATIONALE AND USE OF PROCEEDS

The Board is of the view that it is in the best interest of the Company to accept the Facility for the purposes of facilitating AV Land in meeting its purchase obligations pursuant to the terms and conditions of the PDA. Parcel 6 is intended to be developed as part of the mixed development in AVC, the details of which have been disclosed on pages 127 to 130 of the Offer Document.

The Facility will also assist AV City to kick start its residential project known as Vivo which is to be developed on Plot 21. Vivo which was launched on 20 April 2019 received an overwhelming response for bookings and construction is expected to commence in Q1 2020.

The offer of the Facility from the Lender reflects the confidence of the financial institution on the Group's financial position and future strategic direction.

3. FINANCIAL EFFECTS

The Facility and Acquisition are not expected to have any material effect on the Group's consolidated earnings and net tangible assets per share for the financial year ending 31 December 2019.

4. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

None of the Directors and/or the controlling shareholders of the Company has any interests, direct or indirect, in the Facility (other than through their respective effective shareholding interests in the Company, if any).

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan
President and Group Chief Executive Officer
3 October 2019

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") in accordance with Rules 226(2)(b) and 753(2) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST. The SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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).