

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

ENTRY INTO NON-BINDING TERM SHEET IN RELATION TO A PROPOSED JOINT VENTURE WITH A LOGISTICS REAL ESTATE SPECIALIST

1. INTRODUCTION

- 1.1 The Board of Directors (the “**Board**”) of Aspen (Group) Holdings Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) wishes to announce that, Global Vision Logistics Sdn. Bhd. (“**GVL**”), a 30% associate company of the Group together with its existing shareholders including the Group’s wholly-owned subsidiary, Aspen Vision Properties Sdn Bhd (“**AVP**”), has on 10 August 2020 entered into a non-binding term sheet (“**Term Sheet**”) with a third party logistics real estate specialist (the “**Proposed JV Partner**”) (collectively known as the “**Parties**”, and each a “**Party**”), for the Proposed JV Partner to subscribe into GVL as part of a joint venture (“**Proposed Joint Venture**”).
- 1.2 GVL is the registered owner of 3 pieces of lands collectively measuring approximately 71 acres situated in Section 16, Shah Alam, Selangor (“**Land**”). The Land was acquired by GVL from Chemical Company Malaysia Berhad on 30 November 2017 at a purchase consideration of RM190,000,000 for the purpose of constructing, developing, operating and managing the Land as a logistic hub (“**Proposed Development**”).
- 1.3 Pursuant to the Term Sheet, the Parties agree that GVL shall be the joint venture vehicle/special purpose vehicle (“**JV Co**”) to carry out the Proposed Development. The Term Sheet is intended to be a basis for further negotiations and, save for certain provisions relating to exclusivity and confidentiality, amongst others, does not constitute any legally binding obligations of the Parties nor any commitment by the Parties to enter into the Proposed Joint Venture.

2. INFORMATION ON THE PROPOSED JOINT VENTURE

Pursuant to the Term Sheet, it is contemplated that, subject to, amongst others, satisfactory due diligence on the Land and GVL, the Proposed JV Partner will subscribe for 60% of the shares in GVL based on an agreed transaction value of the Land at RM494,450,000 on a 100% basis and to jointly develop the Land. The existing shareholders of GVL will hold the shares in GVL in the following proportions:

Aspen Vision Properties Sdn Bhd	12%
Hartamas Mentari Sdn Bhd	12%
Swift Haulage Sdn Bhd	10%
Ideal Force Sdn Bhd	6%

Further information on the Proposed Joint Venture and the Proposed JV Partner will be provided when the definitive agreements for the Proposed Joint Venture are executed.

3. Exclusivity

Under the Term Sheet, GVL and the existing shareholders of GVL shall work exclusively with the Proposed JV Partner to undertake the necessary due diligence and to negotiate on the definitive agreements for the Proposed Joint Venture, from the date of the Term Sheet until (i) 5 October 2020 (or such other date as Parties may agree); or (ii) the definitive agreements are executed, whichever is earlier.

4. RATIONALE OF PROPOSED JOINT VENTURE

The Board is of the view that the collaboration with the Proposed JV Partner is beneficial to the Group as the Group will be able to tap on the expertise of the Proposed JV Partner to manage the construction and operations of the Proposed Development. The existing shareholders of GVL will also be partially relieved from the capital investment commitments required to fully execute the Proposed Development.

If it materialises, the Proposed Joint Venture is expected to have a positive impact on the earnings per share and/or net tangible assets per share of the Group for the current financial year ending 31 December 2020.

5. CAUTIONARY STATEMENT

Shareholders and potential investors should exercise caution when trading in the shares of the Company. In the event of any doubt as to the action they should take, Shareholders should consult their stockbrokers, solicitors, accountants or other professional advisers. The Proposed Joint Venture is subject to, amongst others, the execution of the definitive agreements and there is no certainty or assurance that the definitive agreements will be entered into or that the completion of the Proposed Joint Venture and Proposed Development will take place.

6. FURTHER ANNOUNCEMENT

The Company will make the relevant update announcements in compliance with the Singapore Exchange Securities Trading Limited Listing Manual Section B: Rules of Catalist as and when there are material developments on the Proposed Joint Venture and other matters contemplated by this announcement.

7. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Joint Venture and the Company, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named

source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan
President and Group Chief Executive Officer
10 August 2020

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).