ASPEN GROUP

DIVERSITY AMIDST ADVERSITY

ANNUAL REPORT 2020

Aspen Vision City Sales Gallery

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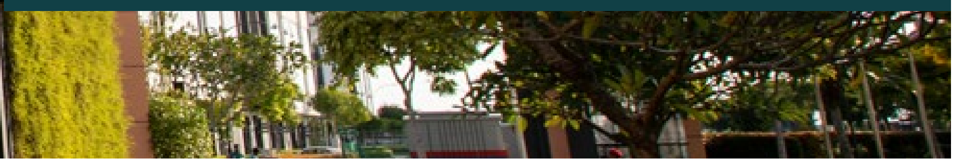
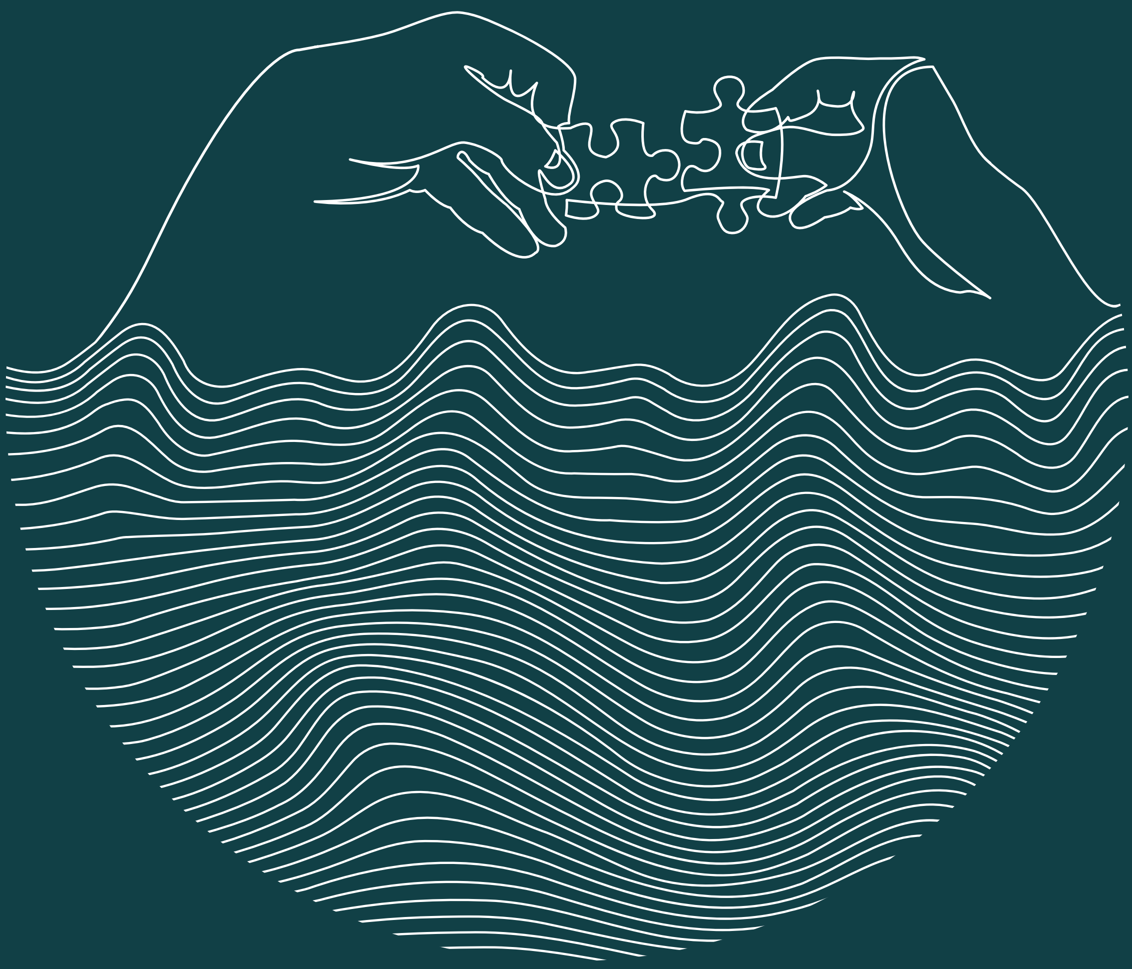


CHAPTER 1

Vision & Mission

Core Values

Message from the President & Group CEO



Vision & Mission

Vision

Grow global. Stay agile.

Mission

Accelerate our scalable journey towards globalisation with excellent corporate governance, sustainable environmental stewardship, empowered social inclusion and disruptive digital transformation.

Aspen Vision City Entrance Statement

Core Values

These values define our culture, guide the way we treat each other, and how we run our business.

Our people live by these core values, which enable us to focus on creating innovative products, making ethical decisions, building relationships, and taking accountability for our actions.

Be A Catalyst For Positive Change

Our benchmark is to deliver products that elevate the standard of living. Before we embark on any work, we challenge ourselves with the question, "Will our actions spark positive change by making life better for people?". Every plan is thought through in detail and measured against this benchmark before proceeding. To be a catalyst for positive change is the mantra that shapes our attitude towards work and the way we relate to one another.

Build On Relationships

We are committed to fostering open communication and acting with integrity in all our relationships. With every service we provide, every business partner and vendor we do business with, every Aspenian and with people we have yet to meet, we strive to ensure every interaction builds into being a loyal, long-term relationship that is mutually beneficial.

Collaborate To Innovate

Our business model is to deliver best-in-value solutions and services through new opportunities, smart ideas and strategic collaborations. To achieve our business model we innovate to breathe new life into what we have to work with and we encourage Aspenians to be innovative thinkers who challenge and redefine the status quo. This mentality, together with our business model, is the blueprint upon which we build our organisation and nurture our people.

Be Community-Conscious

As a Group with diversified business interests and an expanding presence, everything we do has an impact on the communities we serve, locally and globally. We are in a unique position where we can think and act holistically, and our Corporate Conscience Programme gives Aspenians the opportunity to reach out to the less fortunate and those who are in need of a helping hand. We organise activities that are relevant and intentional through charitable campaigns, educational activities, contributions as well as environmental and socio-cultural programmes.

Boardroom

Message from the President & Group Chief Executive Officer

Dear Valued Shareholders, Customers, Partners and Co-workers,

2020 will forever be a year remembered for the adversities it brought upon people, businesses and economies globally.

On the flip side, it will be earmarked in the history of Aspen Group for being a defining year, when we as an organisation arose amidst the adversity surrounding us, to embrace diversity. While the 'tried and true' segment of our core business in property development remains powerfully rooted, we seized the opportunity to embark on one of our most compelling business journeys yet - making inroads into the healthcare industry with the establishment of Aspen Glove Sdn. Bhd. (AGSB).

This strategic diversification into manufacturing and distribution of rubber gloves and other related activities, grounds us in the reality that we are not merely a business entity, but we carry the responsibility of ensuring what we do will impact people in positive ways by creating job opportunities, and improving healthcare efficiencies. By raising the bar of excellence in healthcare products and manufacturing with state-of-the-art facilities and highly-automated processes we will be setting benchmarks for industry players to become more competitive.

With the establishment of AGSB, we recognised the critical importance of meeting the growing global demand for quality healthcare solutions in tandem with reducing environmental impacts and enhancing workers' well-being. It is a dual challenge the industry must help resolve, and the Group as a responsible corporate citizen will rise to the challenge by operating with strict compliance to Environmental, Social and Governance (ESG) best practices. The foundation is laid and our facilities are ramping up for production to commence as early as May 2021.

The decision to diversify also stems from my belief that we cannot limit ourselves to overcome today's challenges by relying solely on yesterday's mindsets and toolsets. We need to develop an open mind and willingness to embrace the unknown. The economic landscape has undergone a tectonic shift due to the pandemic. We are at the threshold of a brave new world, and we need to give ourselves the freedom to explore and embrace new ways which are now the new norm. It is a pivotal decision that we need to make again and again, as we see trends and business opportunities emerge post-pandemic. This philosophy of risking it forward has served the Group well in achieving many firsts, and continues to be a driving factor in our business DNA.

It will be earmarked in the history of Aspen Group for being a defining year, when we as an organisation arose amidst the adversity surrounding us, to embrace diversity.

Groupwide, we are digging deep to entrench our roots into the bedrock of ESG factors as part of our ongoing analysis process to identify growth opportunities and make investment decisions. The redefining of our company-wide SOPs to streamline work processes and procedures was recently completed and launched to achieve conducive interactions. We are also accelerating our digital transformation by initiating technological adoption across the board for optimised productivity and efficiency.

On 28 January 2021, the Group successfully transferred from SGX Catalist to the Mainboard after trading on Catalist since 28 July 2017. The Group's move to the Mainboard is expected to boost the Group's corporate profile and improve its access to

Aspen Group Chinese New Year Annual Dinner 2020

a larger investor base. This will be beneficial to the Group's business expansion plans.

In everything the Group ventures into, we start right! We are committed to leaning on our core strengths and remaining true to our brand values. This empowers us to continue to deliver extraordinary products, influence our communities, and build a brilliant culture to redefine living.

On behalf of the Board of Directors, I hereby present to you our annual report for the financial year ended 31 December 2020.

Economic Environment in FY2020

2020 was an extremely challenging year. The unprecedented outbreak of the Covid-19 pandemic had adversely impacted the global economy in the year 2020. Globally, the economy recorded a negative growth of 4.4% in 2020 while the Gross Domestic Product (GDP) of the emerging markets and developing economies declined by 3.3%. These were mainly due to sluggish private consumption, coupled with lacklustre global trade and unfavourable external demand[1].

In Malaysia, the economy contracted by 4.5% in year 2020 with a contraction of 8.3% in the first half of 2020. The economy contracted at a slower pace in the second half of the year, aided by the speedy implementation of various stimulus packages by the Malaysian Government to support the people and revitalise the economy. The impact of the stimulus packages are expected to have spill-over effects and provide an additional boost to the economy in 2021. With the anticipated improvement in global growth and international trade, the Malaysian economy is projected to rebound between 6.5% and 7.5% in 2021[1].

Unfortunately, for the property industry, the enforcement of the various phases of the Movement Control Order (MCO) curtailed the resumption of economic activities and disrupted the momentum of the property market's recovery. The real estate and business services sub-sector declined by 11.3% in the first half of 2020, attributed to the temporary suspension of construction activities during the MCO. The sectors continued to decline by 11.9% in the second half and averaged at 11.6% for the whole year[1].

To pave a path towards economic recovery, the Malaysian Government announced the National Economic Recovery Plan (PENJANA) in 2020, which provided numerous initiatives for the property industry. These include exemption of the Real Property Gains Tax (RPGT), launching of the National Affordable Housing Policy and Rent-to-Own (RTO) scheme, and the extension of the Youth Housing Scheme (YHS) and Home Ownership Campaign

(HOC). The initiatives coupled with the reduction of the Overnight Policy Rate (OPR) by Bank Negara Malaysia are expected to help cushion the impact of the Covid-19 pandemic on the overall property market.

On the other hand, the demand for rubber gloves and its average selling prices are expected to remain elevated in the medium term driven by the Covid-19 vaccination programme and heightened hygiene and health protocols across many major industries around the world. The Malaysian Rubber Glove Manufacturers Association projects an annual demand growth of 15 - 20% with Malaysia's projected glove revenue to range between RM36 - 38 billion in 2021 and the global glove demand to reach 410 billion pieces[2]. Currently, demand continues to exceed supply for the rubber glove industry and the Group expects this to remain the same for FY2021. Post-pandemic, the demand for gloves will continue to undergo secular growth as a result of increased healthcare standards and hygiene awareness in the medical and non-medical sectors. As such, the Group's diversification into the healthcare sector is a strategic and timely venture which will deliver a strong performance for FY2021.

Business Review of FY2020

Despite the severe economic impact caused by the Covid-19 pandemic, the Group reported a revenue of RM282.8 million and net profit attributable to shareholders of RM72.7 million in FY2020. The Group recorded an increase of 276% in earnings per share at RM7.30 cents compared to RM1.94 cents in FY2019. The main contributor of the recorded profit is the RM61.3 million share of profit from the Group's associated company, Global Vision Logistics Sdn. Bhd., due to the revaluation surplus of its investment properties in FY2020.

Though the market sentiments were subdued, the Group was able to generate consistent revenue from the progressive construction as well as new sales of Vertu Resort, Beacon Executive Suites and Vivo Executive Apartment during 2020. Correspondingly, sales from completed projects namely Tri Pinnacle and Vervea also contributed positively to the earnings of the Group for FY2020.

Prospects

Property Development Sector

The Group expects to obtain the Temporary Occupation Permit (TOP) for its ongoing residential developments, namely Vertu Resort and Beacon Executive Suites, by 1H 2021 and deliver vacant possession to the purchasers. With the completion of these two residential projects, the Group expects a positive contribution towards the Group's FY2021 financial results.

With the mass availability of the Covid-19 vaccines, we expect the domestic economy to make a U-turn in 2H 2021. To take advantage of the impending growth momentum related to the property industry and the availability of incentives by the Malaysian Government, the Group intends to launch four projects in 2H 2021 catering to a wide spectrum of the community namely, the second phase of Viluxe and a brand new residential development in Aspen Vision City, Batu Kawan, Penang; a high-rise development in Tanjung Bungah, Penang and a serviced apartment in Kajang, Selangor.

The logistics and warehousing industry is one of the fastest-growing industries due to the rise in demand from e-commerce businesses. To capitalise on this, the Group's associated company, Global Vision Logistics Sdn. Bhd. together with LOGOS SE Asia Pte. Ltd., upon completion of the subscription agreement, target to launch the phased development of an integrated logistics and warehousing facility (the "Project") on 3 pieces of land collectively measuring approximately 71 acres situated in Section 16, Shah Alam, Selangor. The total development area of the Project is expected to be 785,000 sqm and the gross leaseable area for the five (5) warehouse blocks will be approximately 589,000 sqm. Upon its completion, the Project is expected to be one of the largest one-stop logistics solutions providers in Malaysia.

Healthcare Sector – Aspen Glove Sdn. Bhd.

In September 2020, the Group announced its plans to diversify into the manufacturing and distribution of rubber gloves to be undertaken as a joint venture with CMY Capital Sdn Bhd. The Group via the special purpose vehicle AGSB, leased a piece of 29.331-acre land for 60 years in Kulim Hi-Tech Park to set up its glove manufacturing facilities. Construction of Phase 1(a) with 6 production lines is progressing on schedule and full operations are anticipated by 1 May 2021. AGSB has already secured the sales of the entire production capacity for Phase 1(a) in 2021 worth USD$100 million on the provisional average selling price of US$100 per one thousand pieces of gloves.

Due to the strong demand for medical gloves, AGSB will accelerate its expansion plans under Phase 1(b) to include 6 additional lines and has awarded the machinery procurement contract. AGSB plans to commence production of Phase 1(b) from July 2021 which will take the total production capacity from Phase 1(a) and 1(b) to reach 3.5 billion pieces of gloves per annum.

AGSB will also commence the construction of Phase 2 of the manufacturing facility in April 2021 and the construction is expected to be completed within 6 months. The completion of Phase 2 will bring the total annual production capacity of AGSB to approximately 7 billion gloves per annum. Production of gloves under Phase 2 is expected to commence in stages from Q4 2021 onwards and achieve full production capacity by 1Q 2022.

AGSB is currently in the final stages of negotiation to sell the entire production capacity for Phase 1(b) and Phase 2. The Company will update shareholders via SGXNET as and when there are material developments to the negotiations for the sale of the production capacities of Phase 1(b) and Phase 2.

Demand for rubber gloves and its average selling prices are expected to remain elevated in the medium term driven by the Covid-19 vaccination programme and heightened hygiene and health protocols across many major industries around the world. The long term demand is projected to increase 15% on a compounded annual growth rate basis[3]. To ensure it remains well-positioned to meet the continued demand AGSB is currently working on plans to expedite the completion of Phase 3 and Phase 4 which will add another 7.2 billion pieces of gloves per annum. The completion of Phase 3 and Phase 4 will bring the total annual production capacity of AGSB to approximately 14.4 billion pieces of gloves per annum and is now projected to be achieved progressively in 2022.

Food and Beverage Sector – Kanada-Ya

The Company had on, 29 April 2019, announced that its subsidiary, Kanada-Ya SG Pte. Ltd. has entered into a Master Franchise Agreement with Kanada-Ya UK Ltd. to acquire the rights as the master franchisee for the 'KANADA-YA' brand.

On 15 October 2020, 15 November 2020 and 19 December 2020, the Group officially opened its second, third and fourth Kanada-Ya outlets in Singapore at Change Alley Mall, Marina Square and Paragon Orchard respectively and is enjoying overwhelming response despite the Covid-19 pandemic. Given the strong support from patrons, the Group targets to open another four outlets in

*Aspen Glove Sdn. Bhd.
Manufacturing Facility in Kulim Hi-Tech Park*

Singapore at various strategic locations in 2021. The Group is also working towards bringing the ramen brand to Australia within the next year.

Overall, the Group remains cautious and expects the business environment to remain challenging and uncertain. Nonetheless, the Group will continue with its prudent and professional management approach to ensure the delivery of satisfactory performance in the coming quarters whilst consolidating its market position and strengthening its competitive edge to seize opportunities that may emerge when the situation improves.

A Note of Thanks

We could not have accomplished all that we did in 2020 without the commitment, contributions and support of our people. I take this opportunity, on behalf of the Board to thank our management team and co-workers for their invaluable service and resolute trust in Aspen Group. As we stand poised on the threshold of our most exciting journey yet, diversifying and venturing into new sectors and embracing growth opportunities, I could not ask for a better team to come alongside me. The consolidation of your strengths and resources will continue to fortify us as we grow globally towards a sustainable future.

As always, I am also grateful to our customers, financiers, shareholders and business associates for their trust, partnership and continuing support. It is a much-needed boost that spurs us on in our ongoing efforts to grow and diversify amidst adversity.

Dato' M. Murly
President & Group Chief Executive Officer

[1] https://www.malaysia.gov.my/portal/content/31054

[2] https://focusmalaysia.my/business/mixed-fortunes-for-rubber-glove-industry-in-2020/

[3] https://www.nst.com.my/business/2021/03/671958/negative-glove-news-fade-affin-hwang

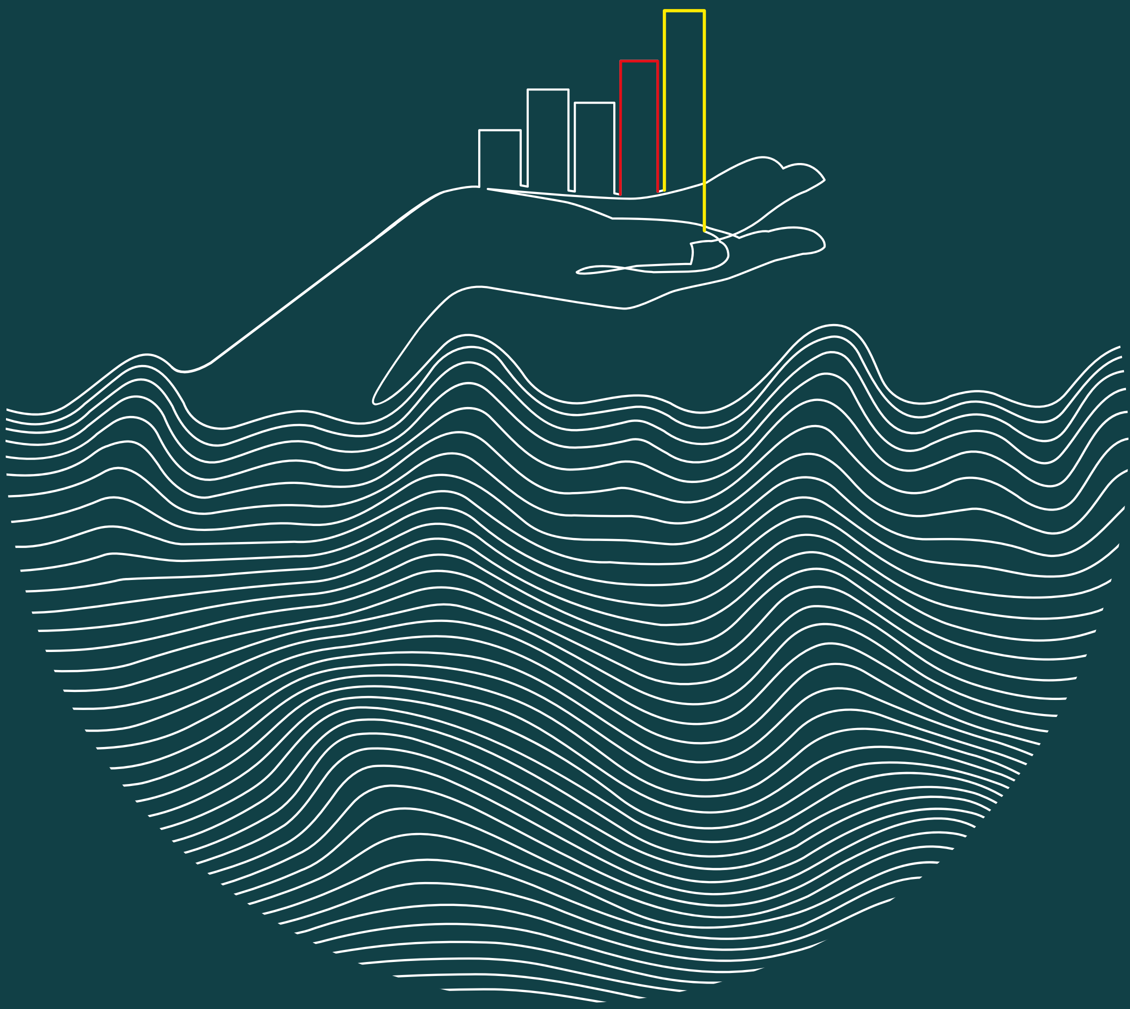
Kanada-Ya
Paragon Orchard, Singapore

CHAPTER 2

Financial Highlights

Corporate Milestones

Our Partnerships



5- Year Financial Highlights

	FY2016	FY2017	FY2018 (Restated)	FY2019 (Restated)	FY2020
Revenue (RM'000)	99,653	453,073	569,973	287,936	282,832
Gross Profit (RM'000)	33,278	176,820	122,436	98,137	83,402
GP Margin (%)	33.39	39.03	21.48	34.08	29.49
Profit attributable to equity holders (RM'000)	(2,070)	82,140	55,249	18,678	72,731

	FY2016	FY2017	FY2018 (Restated)	FY2019 (Restated)	FY2020
Total assets (RM'000)	527,364	757,331	955,958	1,362,416	1,569,690
Total liabilities (RM'000)	484,959	460,372	526,872	891,132	941,631
Shareholders' fund (RM'000)	39,148	281,250	405,394	415,573	566,283
Cash position (RM'000)	103,383	139,988	154,232	60,540	83,788

	FY2016	FY2017	FY2018 (Restated)	FY2019 (Restated)	FY2020
Return on equity (%)	(5.29)	29.21	13.63	4.49	12.84
Earnings per share (RM cents)	(0.27)	10.70	5.97	1.94	7.30
Net asset per share (RM cents)	5.65	32.45	43.77	43.13	56.83

A Resilient Portfolio

PROFIT

RM **72.7m**

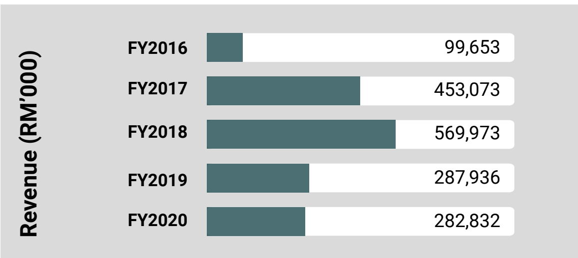
REVENUE

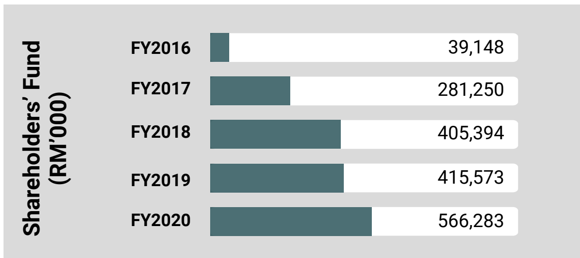
RM **282.8m**

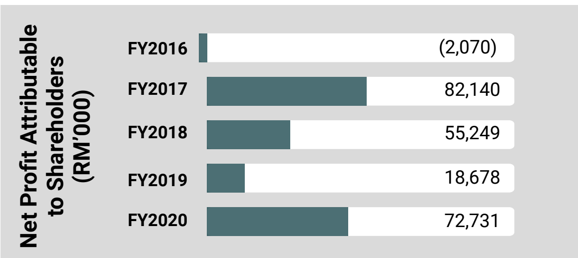
NET ASSET PER SHARE

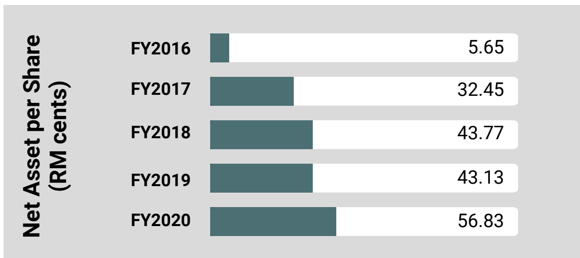
RM **56.83**

Note:
The comparative figures for FY2018 and FY2019 have been restated due to the adoption of the fair value model for investment properties, with changes in fair value recognised in the statement of profit or loss and other comprehensive income. These changes in accounting policy were applied retrospectively.









Corporate Milestones

JAN 2020

Award Of Contract To Kerjaya Prospek As Main Contractor For The Development Of Vivo Executive Apartment And Its Second Phase, Viio

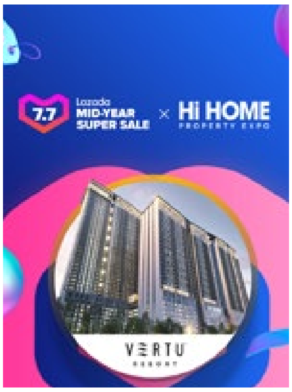
Staying true to its commitment to build quality homes at affordable price points, Aspen Group awarded a RM617 million contract to Kerjaya Prospek (M) Sdn. Bhd. as the main contractor for the building works of Vivo Executive Apartment and its second phase, Viio, in Aspen Vision City. Vivo Executive Apartment will comprise three 48-storey blocks housing 1,530 units of executive apartments, 9-storey podium of car parks, community recreational facilities and shop lots.

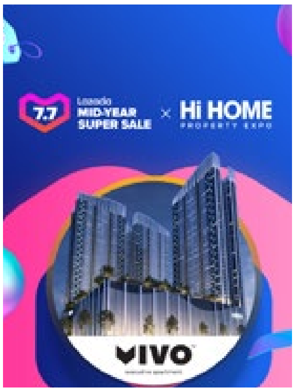
Tri Pinnacle Bags Malaysia Landscape Architecture Award

Malaysia Landscape Architecture Awards (MLAA) is a distinction that honours and recognises outstanding landscape architecture of consultancy firms, developers, researchers, students, contractors, suppliers, government agencies, foundations, trusts, NGOs, media and individuals in Malaysia and abroad. This prestigious award is a benchmark prerogative by the Institute of Landscape Architects Malaysia (ILAM) and endorsed by the International Federation of Landscape Architects (IFLA).

Tri Pinnacle's receipt of the MLAA Honour Award under the Developer & GLC Category – Landscape Development Award corroborates that Aspen Group is not only an excellent builder and developer providing quality construction but a committed trailblazer in its efforts to balance the needs of the environment alongside the lifestyle-driven features for its residents.

JUL 2020





Sale Of Aspen Group's Properties On E-Commerce Platform

The Group believes that online platforms are the way forward in marketing and ultimately increase brand awareness. The Group did not miss the chance to participate in Lazada's Hi Home Property Expo Mid-Year Super Sale where interested purchasers were given the opportunity to pre-book a home via Lazada.

AUG 2020

Diversification Of Aspen Group Into Healthcare Sector

A new milestone was added to Aspen Group when the Group set on diversifying into the business of manufacturing and distributing rubber gloves, with the formation of Aspen Glove Sdn. Bhd. together with joint venture partner CMY Capital Sdn. Bhd. Aspen Glove Sdn. Bhd. accepted the Letter of Offer from Kulim Technology Park Corporation Sdn. Bhd. to lease 29.331 acres and a First Right of Refusal for the lease of 37.031 acres of industrial lands at Kulim Hi-Tech Park. The initial investment for its Phase 1(a) is set to be approximately RM105 million.

Addendum to this, a Letter of Memorandum of Understanding was signed with Invest Kedah Berhad to provide Aspen Glove the necessary support and facilitation for the project.

Proposed Joint Venture To Develop A Logistics Hub

Aspen Group's associated company, Global Vision Logistics Sdn. Bhd. (GVL) entered into a term sheet with LOGOS SE Asia Pte. Ltd. (LOGOS), a logistics real estate specialist, for a proposed joint venture to construct, develop, operate and manage an integrated logistics and warehousing facility on a 71 acres of land in Shah Alam, Selangor. Both GVL and LOGOS have since entered into a formal agreement for the joint venture. The total development area of the project is expected to be 785,000 sqm and the gross leasable area for the five (5) warehouse blocks will be approximately 589,000 sqm. The project will be a sustainable development with eco-inspired features that will cater to multiple tenants. Upon its completion, it is expected to be one of the largest one-stop logistics solutions provided in Malaysia.

SEP 2020

Opening Of Beacon Executive Suites Grand Lobby

Aspen Group had spared no effort in its aspiration to meet the completion date of Beacon Executive Suites, the unveiling of its Grand Lobby is the exciting prelude to what the residents and potential customers can expect of the chic residential suites located in the heart of George Town, Penang.

Viluxe Premium Terrace Show Unit Unveiling

Viluxe Premium Terrace is touted to be the iconic landed development of Aspen Vision City. The premium terrace in Batu Kawan opened its show unit to welcome visitors into an ambience of elegance and modern luxury they could dream of and afford.

Lease Agreement Signing Ceremony Between Aspen Glove Sdn. Bhd. And Kulim Technology Park Corporation Sdn. Bhd.

The Group's subsidiary Aspen Glove Sdn. Bhd. entered a Lease Agreement with Kulim Technology Park Corporation Sdn. Bhd. (KTPC) to lease 29.331 acres of industrial land in Kulim Hi-Tech Park (KHTP) to construct an industrial factory to manufacture latex and nitrile medical examination gloves.

KHTP is Malaysia's premier and fully integrated high technology park located in Kedah and within the Northern Economic Corridor. The technology park is fully funded by the Federal Government through the Ministry of Finance and is developed and managed by KTPC, which is wholly owned by the Kedah State Development Corporation.

KHTP is about 20 minutes away from Penang Port via the Butterworth-Kulim Expressway. Setting up in KHTP provides a key advantage as industrial lands in KHTP are ready with high-quality infrastructure, ready utilities of international standards and dedicated electricity supply, water supply, water treatment plant for sewerage treatment, piped-in natural gas and high-speed telecommunication infrastructure.

SEP 2020 (cont'd)

Vervea Won PropertyGuru Asia Property Awards

Aspen Group's largest gated and guarded commercial precinct in Northern Region – Vervea won the Highly Commended Award for the Best Retail Development by PropertyGuru Asia Property Awards Malaysia 2020. Aspen Group is motivated and convinced that each coveted award bestowed is an endorsement of its business excellence and commitment to quality and continuous improvement.

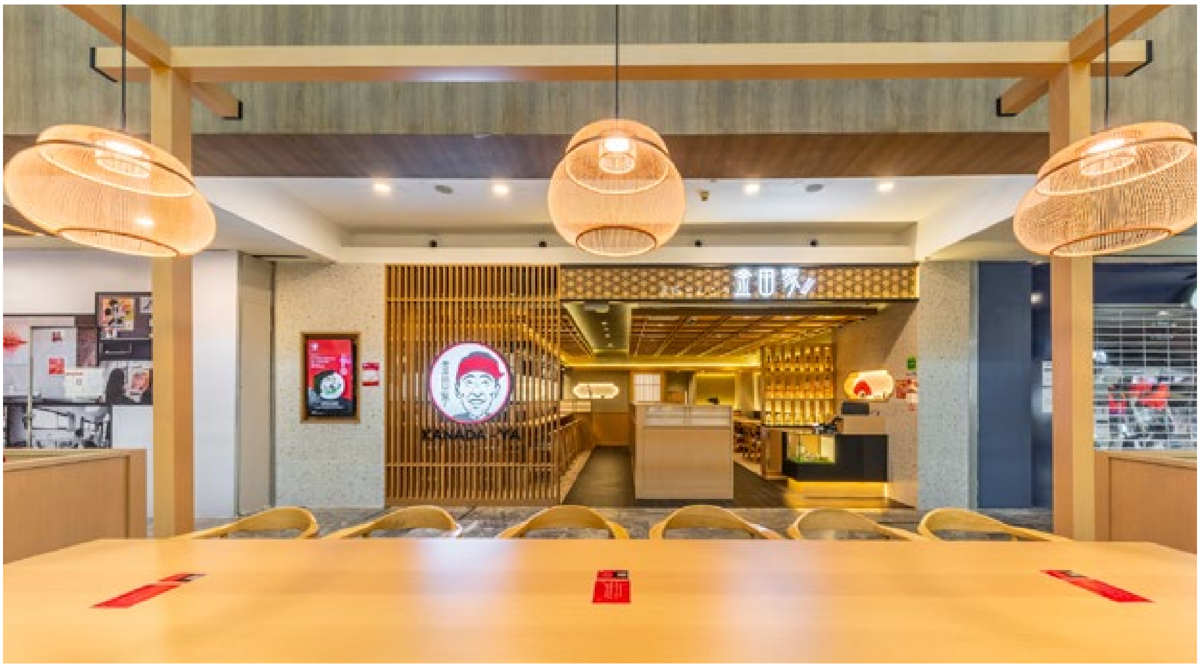
The PropertyGuru Asia Property Awards is the most respected and sought-after real estate honours of gold standards in the industry.

NOV 2020

Aspen Group Carried Out Its First Virtual Tour Of A Show Unit

The uncertainties of the Covid-19 pandemic motivated Aspen Group to try various ways and platforms to market its properties. It was an exciting event when the Group introduced its very first exclusive virtual tour for its potential customers by bringing them for an exclusive tour around the premium terrace virtually and show them the luxury and tranquility that the development offers.

OCT, NOV & DEC 2020



Kanada-Ya Opens 3 More Outlets In Singapore

Following an overwhelming response of the first Kanada-Ya outlet opening in Singapore on 12 December 2019, which was also the very first outlet in Southeast Asia, the Group has since then continued to expand the business with the opening of its second, third and fourth outlets in Singapore.

Its first outlet in Paya Lebar Quarter Mall was also voted as Top 10 eateries in East Zone in Singapore Food Masters 2020.

Second Outlet Opening In Change Alley Mall
15 October 2020

Third Outlet Opening In Marina Square
15 November 2020

Fourth Outlet Opening In Paragon Orchard
19 December 2020

Our Partnerships

Joint Venture Partner

IKEA Southeast Asia & Mexico

Developer, Owner and Operator of IKEA Stores and Shopping Centres

IKEA Southeast Asia & Mexico Facts & Figures FY2020

IKEA Turnover
SGD 1.1 Billion

IKEA Website Visits
77 million

IKEA Family Members
2.5 million

IKEA Stores
9 stores
5 Ikano centres
(4 stores under construction in Singapore, the Philippines and Mexico)

IKEA Co-Workers
3,556

The IKEA vision is to create a better everyday life for the many people. IKEA offers a wide range of well designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them.

IKEA Southeast Asia & Mexico owns and operates IKEA stores in Singapore, Malaysia and Thailand - and in 2021 will bring IKEA to both Mexico and the Philippines. Its multi-national team has ambitious plans to expand further in Southeast Asia and Latin America. It is part of the Ikano Group of companies and is the only franchisee owned by the Kamprad family that founded IKEA.

IKEA Southeast Asia & Mexico also develops, owns, and operates shopping centres that are anchored by IKEA, and creates walkable communities by including residential, office and other types of real estate in its development plans.

Aspen Vision City is a mega-scaled mixed development jointly developed by Aspen Group and IKEA Southeast Asia & Mexico. This is among the first mixed-use investments made by IKEA in property development in Southeast Asia. Aspen Vision City comprises mixed residential and commercial properties, including an integrated regional shopping centre and the very first IKEA store in the Northern Region of Malaysia.

In the Aspen Vision City masterplan, IKEA owns 20% equity in the mixed development and Aspen Group owns 30% equity in the Integrated Regional Shopping Centre development.

Collaboration Partners

Marriott International, Inc.

Global Hospitality Brand

Marriott International, Inc. (NASDAQ: MAR) is based in Bethesda, Maryland, USA, and encompasses a portfolio of more than 7,500 properties under 30 leading brands spanning 132 countries and territories. Marriott operates and franchises hotels and licenses vacation ownership resorts all around the world. The company offers Marriott Bonvoy™, its highly-awarded travel programme.

The hotel management agreement between Aspen Vision City Sdn. Bhd. and Marriott International, Inc. will see an expansion of the Aloft Hotels brand in the mainland province of Penang, Malaysia. Aloft Penang Batu Kawan will welcome business and leisure travellers as well as local staycationers and shoppers to a region known as the 'Silicon Valley of the East' for its high-tech manufacturing hubs and extensive industrial, retail and leisure parks.

Together, Aspen Group and Marriott International, Inc. will anchor the tourism and hospitality sector and boost the vibrancy of Batu Kawan by providing extensive support network to the business activities.

Columbia Asia

Advanced Healthcare Provider

Columbia Asia started its operations in 1996 and currently it has 19 medical facilities across Southeast Asia: 13 in Malaysia, 3 in Vietnam and 3 in Indonesia.

The company believes in setting up hospitals in residential areas for accessibility and efficiency, and to better serve the respective communities. This also helps keep costs down for consumers with no compromise on healthcare quality, modern amenities and highly trained teams of specialists and nurses.

Columbia Asia medical facilities provide a wide array of effective and affordable medical services such as General Surgery, Oncology, Neurology, Cardiology, Nephrology, Paediatrics, Obstetrics & Gynaecology, Orthopaedics and Internal Medicine, to name a few. These are supported by a comprehensive list of ancillary services that include an Intensive Care Unit, Neonatal Care Unit, Physiotherapy, Laboratory, Pharmacy, CATHLab and Imaging.

At Columbia Asia, comprehensive medical programmes demand ethics, excellence and strict clinical governance. All of its operations follow international quality assurance guidelines that meet the highest standard of patient care possible.

The mission of Columbia Asia is to deliver the best clinical outcomes in the most effective and caring environment; to provide communities with effective healthcare at excellent value; and to be the preferred choice for families and businesses. These objectives are in line with its company vision -- We have a Passion for Making People Better.

The company is in the midst of expansion. In addition, it will have a hospital located in Aspen Vision City and the only private healthcare provider in Batu Kawan.

Antah Schindler Sdn. Bhd.

Smart Mobility Provider

Antah Schindler Sdn. Bhd. is the wholly owned subsidiary of the partnership between Syarikat Pesaka Antah Sdn. Bhd. and Jardine Schindler Pacific BV. Today it is an authorised distributor and service provider for Schindler elevators and escalators for the whole of Malaysia.

Schindler also pioneers on Smart Digital Solution. Schindler PORT and Ahead are the digital brands of the Schindler Group. Schindler offers remote monitoring, advanced analytics, mobility technologies and touchless hygiene solutions, the possibilities are almost limitless with connected elevators, escalators and moving walks.

The signing of a strategic collaboration serves as a framework for cooperation and information exchange between the parties on the design, engineering, supply, delivery, installation, testing and commissioning of both mobility systems and Smart Digital Solutions for all Aspen Group developments.

The partnership between Aspen Group and Schindler will see the implementation of smart digital urban mobility solutions in Aspen Group's developments, starting with the Vervea shop offices in Aspen Vision City.

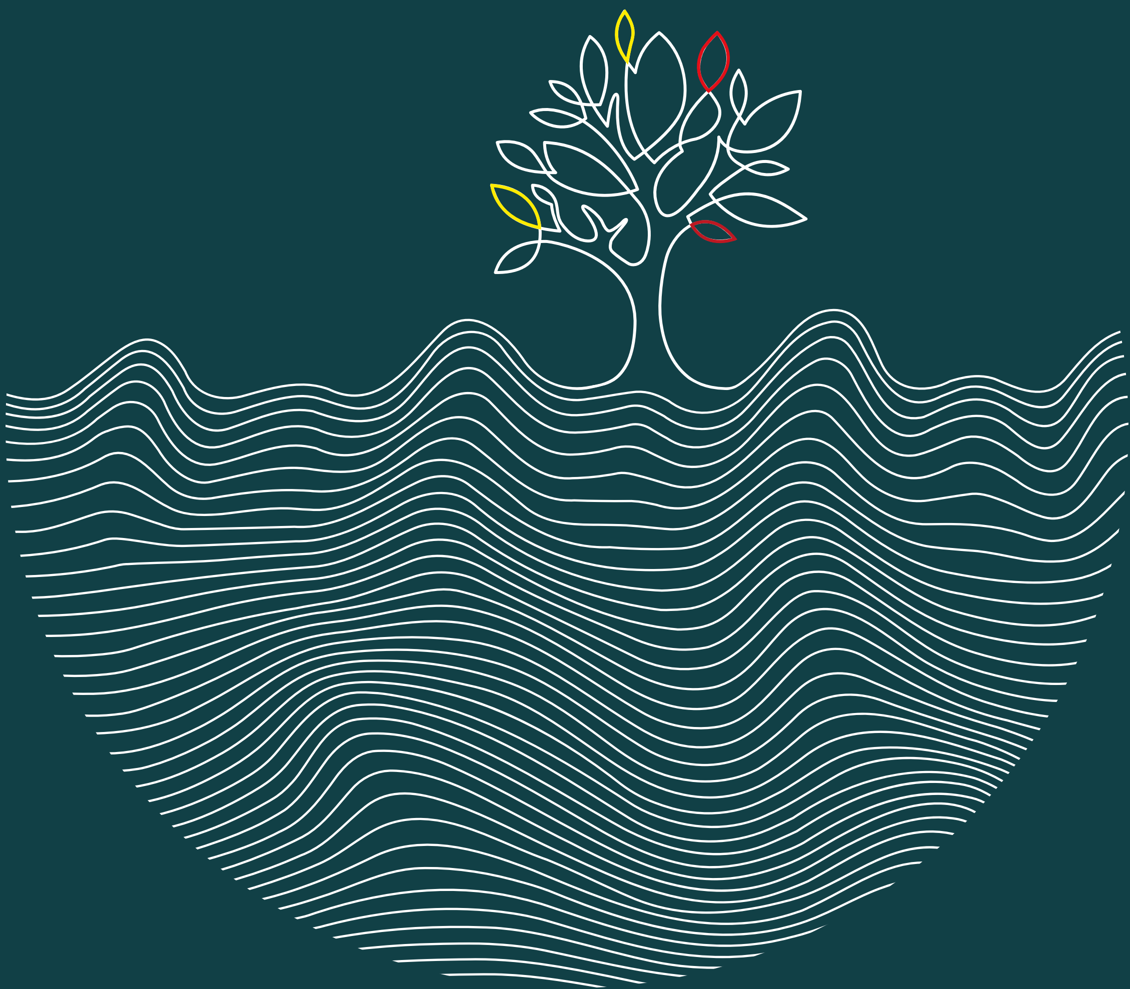
CHAPTER 3

Board of Directors

Profiles of Key Management and Senior Management

Corporate Structure

Corporate Information



Board Of Directors

Dato' M. Murly

President and Group Chief Executive Officer

Dato' M. Murly as the co-founder and Group CEO helms the organisation with a steady hand while keeping his sight focussed on the future, thus, proving he is a man of action as well as a visionary.

His enviable reputation as one of the youngest Executive Directors and COOs to be recorded in the history of Malaysia's Public Listed Companies continues to inspire aspiring entrepreneurs till today.

Deeply passionate about whatever he sets out to achieve, Dato' Murly is renowned for his astute business acumen, ingenuity in disrupting the norm and keen foresight for the innovative. These inherent characteristics have served him well in propelling the Group forward with unwavering determination.

Dato' Murly's extensive industrial knowledge, from managing design and construction executions, and a holistic sense of community building from his town and urban master planning days continues to influence the conceptualisation of projects by the Group. With insightful strategies, Dato' Murly has been able to leverage his combined skills and experiences to step up and lead the way.

Dato' Murly's ascent in the business world is fuelled by his desire to seek meaningful change in people's lives, and how community can be shaped for the better with transformational ideals. This desire continues to spark as Dato' Murly steers the Group into new directions of evolution and diversification.

Cheah Teik Seng

Chairman and Independent Non-Executive Director

Mr. Cheah Teik Seng is recognised in the banking and finance community for his many years in senior management positions in top international investment banks which include Chase Manhattan Bank, BNP Paribas, UBS, Goldman Sachs and Merrill Lynch. Following his illustrious banking career, Mr. Cheah spent more than a decade managing investment funds focusing on private equities in China. He also held extensive independent directorships in various public listed companies in Malaysia, Australia and the Philippines. Activities in these listed entities range from banking and finance, to oil and gas energy, leisure and real estate.

With a long career track record covering businesses in multiple regions such as Malaysia, Singapore, Hong Kong and London, Mr. Cheah brings to the Board an unmatched degree of global perspective as well as a great depth of banking and financial expertise.

Dato' Seri Nazir Ariff Bin Mushir Ariff

Executive Deputy Chairman

Dato' Seri Nazir Ariff is the co-founder and the Executive Deputy Chairman of the Group.

Dato' Seri Nazir Ariff commands over 40 years of business experience and more than a decade on the forefront of the property sector. He is, therefore, not only a much revered expert in the Malaysian commerce and commodities sectors, but also a respected veteran in the property development industry. He has had a remarkable and multifaceted career, taking on key leadership roles in trade and playing an important part in developing areas of public interest.

He is the current Chairman of Small Medium Enterprise Development Bank Malaysia Berhad. From acting as an independent director in public listed companies, to trading in the tin smelting market, managing financial assets to managing football clubs, championing animal rights to fostering youth scholarship programmes; Dato' Seri Nazir Ariff has more than a few feathers in his cap and his all-rounder abilities have proven to be invaluable in establishing the roots of Aspen Group.

Leveraging on his wide-ranging experience, business acumen and mentoring spirit, Aspen Group is well-positioned to effectively navigate the ever-changing corporate environment and accomplish greater success.

Ir. Anilarasu Amaranazan PJM, PJK, DJN

Group Managing Director

Ir. Anilarasu Amaranazan had enlisted as Operations Director of Aspen Group in June 2015, before becoming the Chief Operating Officer in November 2016. He is presently, the Group Managing Director since 2019. Ir. Anilarasu takes earnest charge of the development and execution of viable business strategies, oversees the Group's financial performance, operations, marketing activities, investments and business ventures as well as implementing such policies and procedures as part of the overall quality management system for the Group.

Prior to this, he was the Head of the Technical Department in EcoWorld Berhad from July 2014 to June 2015, where he was responsible for the overall project management, project planning, implementation, design and construction review. He was also a Project Manager and Head of the Technical Department in S P Setia Berhad (Penang) from June 2006 to July 2014. He started his career as a Site Engineer with TNH Construction Sdn. Bhd. in May 2005.

Ir. Anilarasu obtained his Bachelor of Engineering (Civil) in August 2005 and a Masters of Science (Construction Management) in March 2011, both from Universiti Teknologi Malaysia. He is a member of the Institute of Engineering Malaysia since May 2009 and is an accredited professional member of the Board of Engineers Malaysia since September 2012.

Dr. Lim Su Kiat

Non-Independent Non-Executive Director

Dr. Lim Su Kiat's career history highlights senior positions in investment management and capital transactions across various real estate funds and asset management firms in Asia and Australia namely Allco Finance, Frasers Centrepoint Group, Rockworth Capital Partners and Firmus Capital.

Dr. Lim has extensive experience in the areas of direct investments, real estate capital markets and REITs in real estate markets of Asia including Japan. He holds and has held directorships in the Property Funds and Asset Management Firms.

His multi-jurisdictional experience in the real estate investment and asset management industry brings to the Board an in-depth perspective of the real estate markets in the region.

Dato’ Alan Teo Kwong Chia

Independent Non-Executive Director

Dato’ Alan Teo Kwong Chia has served in top and executive roles in various prestigious organisations including AIA Berhad, Great Eastern Life and Genting Group. A specialist in the areas of Human Resources, Operations, Organisational Design and Business Process Management, Dato’ Alan has worked in various management consulting capacities with renowned clients such as Exxon Mobil, Maxis, Ansel, Beiersdorf, Dairy Farm, HSBC and many more.

Dato’ Alan’s consulting experience and operational expertise brings a fresh perspective to the Board’s makeup, and allows Aspen Group to thrive in more areas of operations both internally and externally.

Ching Chiat Kwong

Non-Independent Non-Executive Director

Mr. Ching Chiat Kwong who possesses more than 20 years of industry experience currently serves as the Executive Chairman and CEO of the Oxley Holdings Limited in Singapore. He has established a track record to identify market trends and business opportunities that has enabled him to chart the course for Oxley’s phenomenal growth in the development of industrial, commercial and residential projects in Singapore and overseas. His keen insight and in-depth knowledge of the industry gives him the advantage to formulate viable corporate strategies that boost the overall performance of Oxley. Testament to this is Oxley’s completion of the then largest initial public offering on the Catalist of the Singapore Exchange (“SGX”) in 2010.

Besides Aspen Group, Mr. Ching also sits on the board of Pindan Group Pty Ltd. Mr. Ching has received the 2017 Real Estate Personality of the Year awards at PropertyGuru Asia Property Awards (Singapore) and EdgeProp Singapore Excellence Awards 2017. Being an active supporter of programmes benefitting the elderly and socially disadvantaged, Mr. Ching also sits on the board of THK Nursing Home Limited and Ren Ci Hospital.

With such an impressive track record, Mr. Ching‘s addition to the Board is expected to be a significant and substantial contribution in Aspen Group’s continuing growth and expansion plans to attain greater business value in the industry.

Dato' Choong Khuat Seng, Finn

Independent Non-Executive Director

Dato' Choong Khuat Seng who is esteemed for being a multi-disciplined economist and business rights activist, has extensive experience in multiple sectors, including property construction, building materials, real estate services and property investment. In the last 30 years, Dato' Choong has held numerous positions of influence through which he has contributed to businesses and served the people. This includes his service as Municipal Councillor for Penang Island Municipal Council, President of the Penang Master Builders & Building Materials Dealers Association and also as the Vice President of the Penang Chinese Chamber of Commerce. His multifaceted approach and extensive network are expected to play a significant role in Aspen Group's focus in achieving its business goals and diversification initiatives.

Dato' Choong holds a Bachelor of Economics (Hons) and an MBA, and was awarded the prestigious Darjah Setia Pangkuan Negeri (DSPN) in 2011.

Profiles of Key Management and Senior Management

Iskandar Basha Bin Abdul Kadir

Managing Director – Healthcare Sector

Mr. Iskandar Basha, joined the Group as Managing Director of its Healthcare Sector in September 2020. In this role, Mr. Iskandar works closely with the executive team to develop and execute viable business strategies for the Group's Healthcare Sector. He is also responsible for overseeing Aspen Glove Sdn Bhd's financial performance, operations, marketing activities, investments and business ventures.

To align with the long-term vision of the Group, Mr. Iskandar leads the implementation of policies and procedures as part of the overall quality management system.

Prior to joining the Group, he consulted as an Advisor in the areas of automation through IT, finance and banking from 2004 to 2011. He was sought by Penang Development Corporation (PDC) and served in various roles, namely as Deputy General Manager, Chairman and Director from 2011 to 2014. He took on the challenge of serving as Advisor / Senior Officer in the Economic Planning Unit of the Prime Minister's Department (Malaysia) from 2016 to 2018. Presently, he is also a director in Starship Port Sdn. Bhd.

Mr. Iskandar holds a Bachelor of Science (Cum Laude) Degree in Business Administration - Finance from the California State University, Fresno.

Yew Chai Hock, Ken

Managing Director – Food And Beverage Sector

Mr. Yew Chai Hock, joined the Group in April 2019 when the Group announced that its subsidiary, Kanada-Ya SG Pte. Ltd. entered into a Master Franchise Agreement with Kanada-Ya UK Ltd. to acquire the rights as the master franchisee for the Kanada-Ya brand in Southeast Asia namely Singapore, Malaysia and Thailand.

Mr. Yew has extended expertise in setting up and operating restaurants and bars. He is a restaurateur, who possesses nearly a decade long track record in the food and beverage industry with wide exposure and experience in managing food and beverage outlets.

An insightful and result-driven entrepreneur, Mr. Yew is now tasked to develop and execute impactful sales and marketing strategies for Kanada-Ya Singapore. Within a year of its first outlet opening in Singapore, Mr. Yew with his expertise has successfully opened three more outlets in Singapore and targets to open another four more outlets at various locations in Singapore for 2021.

Lim Soo Aun

Chief Financial Officer

Mr. Lim Soo Aun, joined the Group as Financial Controller in September 2018, and is now the Chief Financial Officer. He is responsible for the Group's financial and risk management operations as well as its financial results.

Mr. Lim possesses more than 30 years of professional experience in accounting, finance, corporate finance, mergers and acquisition, and operational management. He was also involved in numerous corporate exercises in Bursa Malaysia and Dubai International Financial Exchange (DIFX). Prior to joining the Group, he was the General Manager of Leader Steel Holdings Berhad from March 2010 to October 2017, where he was responsible for its daily operational management, profitability, accounting, finance and corporate finance of the group. He started his career in 1989 in audit division with J.B. Lau & Associate (nka Grant Thornton) and was later attached with Consulnet Management Services Sdn. Bhd. from August 1997 to October 2004 as Director and Senior Consultant providing professional business advisory services to a wide spectrum of clientele including public listed companies and multinationals.

Mr. Lim graduated from the Institute of Chartered Secretaries and Administrators United Kingdom (ICSA) and is an Associate Member of Malaysia Institute of Chartered Secretaries and Administrator (ACIS), Chartered Secretary (CS) and Chartered Governance Professional (CGP).

Zainun Binti Abdul Rahman

PJK, PKT, BCN

Executive Director

Puan Zainun, joined the Group as Executive Director in January 2015. She oversees the Group's legal & corporate affairs, communications, strategic collaborations, business development and governmental and stakeholders liaison.

Prior to joining the Group, Puan Zainun held the position of Senior Manager in Penang Development Corporation (PDC), where she formulated and executed legal principles and business practices for various complex state level project developments.

Puan Zainun holds a Bachelor of Law from the University of Malaya and a Diploma in Management from the Malaysian Institute of Management. She has also received several distinguished awards from the Penang State Government, namely Pingat Jasa Kebaktian (PJK), Pingat Kelakuan Terpuji (PKT) and Bintang Cemerlang Negeri (BCN).

Cheah See Peng, Celine

Chief Operating Officer

Ms. Cheah See Peng, joined the Group as Design Director in October 2014, and was subsequently promoted to the Project Division's Chief Operating Officer in February 2019. She is responsible for the project division's performance including timely delivery of projects and top-notch quality of developments. Ms. Cheah is also tasked to ensure the cost control for the overall project division is aligned with the Group's long-term business goals and strategies.

Ms. Cheah has a proven track record coupled with extensive experience in design and technical skills, especially in property development and project management. Prior to joining Aspen Group, Ms. Cheah was a Design Manager at G&A Consultancy Sdn. Bhd. She was responsible for overseeing and coordinating all projects, including the development and execution of project construction drawings and detailing based on the approved conceptual design. Ms. Cheah also liaised with technical consultants to ensure that all design developments were closely monitored to fulfill regulatory requirements and adhered to the highest standards of quality.

Ng Soon Ghee, Calvin

Chief Operating Officer – Healthcare Sector

Mr. Ng Soon Ghee, joined the Group as Chief Operating Officer in September 2020. Bringing a wealth of experience and exposure from the glove industry, Mr. Ng is responsible for overseeing and reviewing the manufacturing operations and ensuring compliance with all safety regulations and standard operating procedures. In this role, he also oversees employee hiring and training developments, strategises financial performance, budget and expenses and regulates policies required by the quality management system. Mr. Ng is also tasked to helm the day-to-day operational matters of Aspen Glove Sdn. Bhd.

Prior to joining this Group, Mr. Ng has over 25 years of experience serving in various multinational companies heading different positions from Plant Director, General Manager, Managing Director and Group Chief Operating Officer.

Mr. Ng is a Bachelor in Mechanical Engineering holder from Universiti Teknologi Malaysia and possesses a Master of Business Administration from INTI International University. He is also a certified professional in Measurement and Verification from Green Tech Malaysia as well as a Registered Electrical Energy Manager with the Energy Commission Malaysia. Besides that, Mr. Ng also holds a Certificate in Energy Management from the FMM Institute.

Chong Meng Fong, Joanne

Divisional Director – Finance

Ms. Chong Meng Fong, joined the Group as Management Accountant in 2014 and was promoted to the position of Group Financial Controller in February 2019. In 2020, following an internal restructuring, she was redesignated as Divisional Director of Finance, where she oversees the Group's financial operations and all the functions of the Group's Accounts and Credit Administrations. She has garnered more than 20 years of experience in accounting, financial reporting, treasury and taxation functions in property development, construction, hospitality and manufacturing industries.

Prior to joining Aspen Group, she was the Group Accountant at Hunza Properties Berhad from year 2006 to February 2014.

Ms. Chong is a Fellow Member of Chartered Certified Accountant (FCCA) and Malaysian Institute of Accountants (MIA). She is a holder of Master of Business Administration (MBA) from Universiti Sains Malaysia.

Lim Jing Yi, Janice

Divisional Director – Trade

Ms. Janice Lim, joined the Group as Assistant Manager of Corporate Communication in May 2014 and was subsequently promoted to the position of Corporate Manager in August of the same year. In 2017, she was appointed as the Head of Corporate Communication & Marketing. Excelling and exceeding expectations in the roles she has held, she was promoted to assume the role of Operations Director in November 2019. Following an internal restructuring in 2020, she was promoted to the position of Divisional Director of Trade, where she is now leads and manages five sub-divisions, namely Sales & Marketing, Creativity & Innovation, Marketing Communications, Customer Relations & Sales Administration and E-Commerce of the Group.

Prior to joining Aspen Group, Janice served as the Marketing Communications Executive at Hunza Properties (Penang) Sdn. Bhd. from November 2012 to April 2014. She also held the position of Senior Corporate Communication Executive at Ivory Properties Group Berhad from February 2006 to October 2012.

Janice holds a Bachelor of Arts in Mass Communication from the Liverpool John Moores University.

Rowena Nair

Divisional Director – Corporate

Ms. Rowena Nair, joined the Group as a Manager in June 2014 and was subsequently promoted to Head of Legal & Corporate Affairs in September of the same year. In 2020, following an internal restructuring, she was redesignated as the Divisional Director of Corporate. She is responsible for helming and overseeing the Group's Legal and Corporate Affairs, Corporate Communications and Business Development sub-divisions.

Prior to joining the Group, Rowena began her career as Legal Assistant at M/s K. Ahmad & Yong from March 2009 to May 2014 and was also a pupil in chambers at M/s Ghazi & Lim from January 2008 to November 2008.

Rowena holds a Bachelor of Laws (Honours) from the University of London (External) and a Certificate of Legal Practice from the Legal Profession Qualifying Board, Malaysia. She was admitted to the Malaysian Bar as an advocate and solicitor in January 2009.

Lai Poh Shan, Jessica

Divisional Director – Group Human Resource & Administration

Ms. Jessica Lai, joined the Group as an Executive Personal Assistant to the President & Group CEO in March 2013 and was promoted to become the Head of Group Human Resource & Administration in July 2015. Subsequently, she was redesignated as Divisional Director of Group Human Resource & Administration in 2020 following an internal restructuring. Jessica is responsible for overseeing all aspects of the human resource management and general administration of the Group, especially in ensuring that the Group is legally compliant with all HR-related legislation.

Prior to joining Aspen Group, she was the Personal Assistant to the Deputy Chairman / Executive Director of Ivory Properties Group Berhad from October 2007 to February 2013. Jessica was also employed as an Operations Associate (Treasury Settlement & Private Banking) in Am Investment Bank Berhad from July 2006 to September 2007.

Jessica graduated in Business Management from the Association of Business Executives (ABE), UK and she is an Associate Member of the Association of Business Executives (ABE), UK.

Siti Sakina Binti Sheik Jamaluddin

Divisional Director – Project

Cik Siti Sakina, joined the Group as a Project Architect in November 2015 and was subsequently promoted to the role of Manager of Project Planning & Development in April 2017. Her portfolio was expanded as she assumed the role of Director of Project Planning & Development in July 2018. In July 2019, when the Group began solidifying its presence in the Central Region, Siti Sakina took on the defining role of General Manager. Following an internal restructuring in 2020, she was then redesignated as Divisional Director of Project, where she helms the Design, Planning & Implementation and Contract sub-divisions.

Prior to joining Aspen Group, she was an Architect at Lim WH Architect from March 2012 to October 2015. She also served as an Architect at Arkitek Urbanisma from June 2011 to February 2012.

Siti Sakina holds a Master of Science in Project Management, Bachelor of Architecture and Bachelor of Science in Housing, Building and Planning with full scholarship from the Ministry of Education Malaysia for USM Exchange Programme with Fachhochschule Aachen, Germany. She is also a Member of Malaysian Institute of Architects (PAM) and a Member of Board of Architects Malaysia.

Tan Wie Ling, Karen

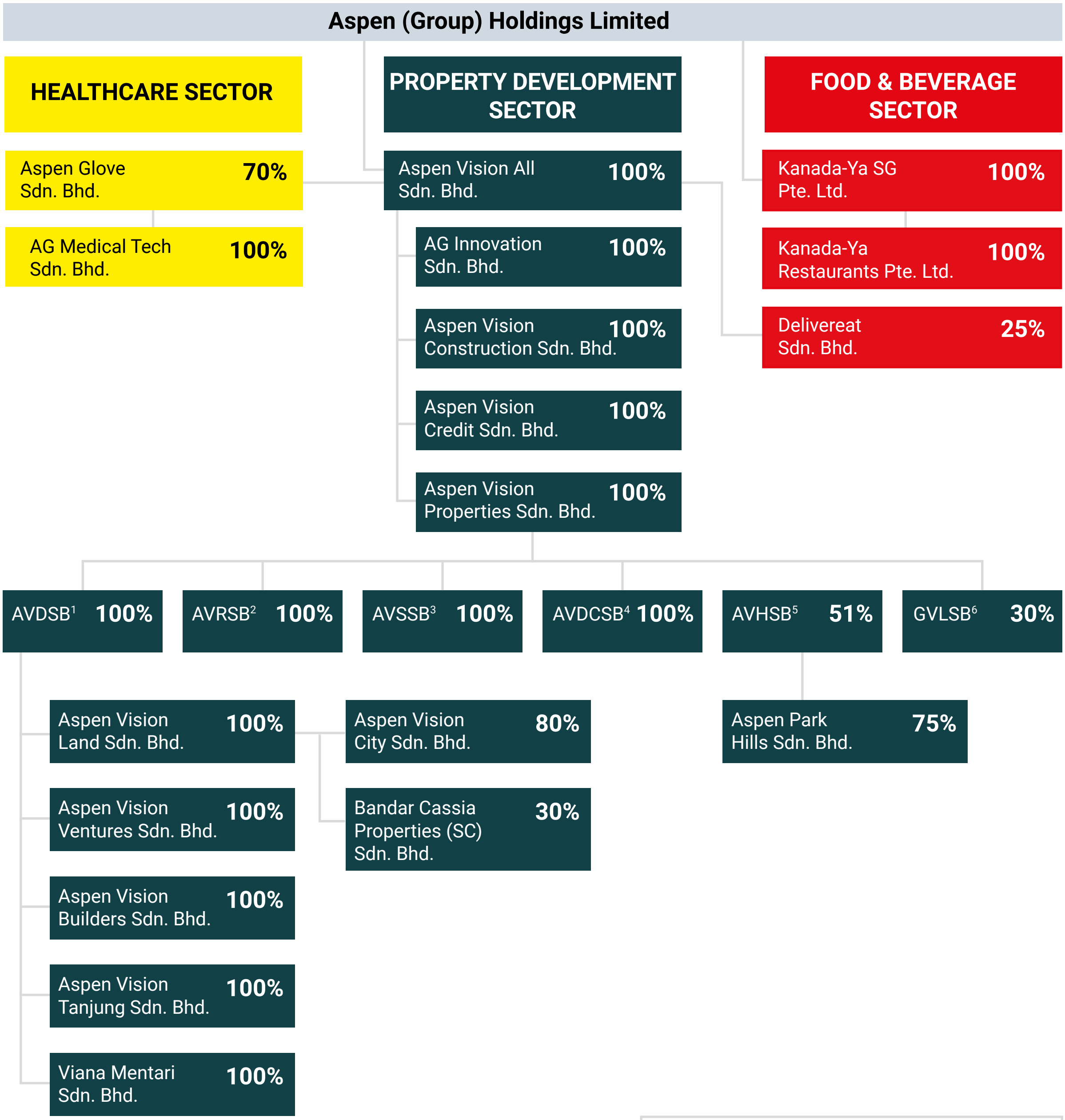
Divisional Director - Group Contracts & Procurement

Ms. Karen Tan, joined the Group as Assistant Contract Manager in 2017. Within months of service, she was promoted to Contract Manager in the same year, and subsequently in 2020 she was promoted to Team Lead. In 2021, she was promoted as Divisional Director of Group Contracts & Procurement overseeing the Group's Contracts & Procurement and Asset Management sub-divisions. Karen's responsibility includes acquisition and control of the Group's materials, services, supplies, equipment, risk management and insurance, as well as contract administration.

Prior to joining the Group, Karen served as a Quantity Surveyor in Rimbaco Sdn. Bhd. from 2005 to 2013. She was also the Quantity Surveyor in Masmeyer Development Sdn. Bhd. from 2013 to 2017.

Karen holds a Bachelor's Degree of Science in Construction Management from Southern Pacific University.

Corporate Structure



[1] AVDSB - Aspen Vision Development Sdn. Bhd.
[2] AVRSB - Aspen Vision Realty Sdn. Bhd.
[3] AVSSB - Aspen Vision Synergy Sdn. Bhd.
[4] AVDCSB - Aspen Vision Developemnt (Central) Sdn. Bhd.
[5] AVHSB - Aspen Vision Homes Sdn. Bhd.
[6] GVLSB - Global Vision Logistics Sdn. Bhd.

Corporate Information

Board Of Directors

Dato' Murly Manokharan
(President and Group Chief Executive Officer)

Mr Cheah Teik Seng
(Chairman and Independent Non-Executive Director)

Dato' Seri Nazir Ariff Bin Mushir Ariff
(Executive Deputy Chairman)

Ir Anilarasu Amaranazan
(Group Managing Director)

Dr Lim Su Kiat
(Non-Independent Non-Executive Director)

Dato' Alan Teo Kwong Chia
(Independent Non-Executive Director)

Mr Ching Chiat Kwong
(Non-Independent Non-Executive Director)

Mr Low See Ching (Liu Shijin)
(Alternate Director to Mr Ching Chiat Kwong)

Dato' Choong Khuat Seng
(Independent Non-Executive Director)

Audit Committee

Mr Cheah Teik Seng (Chairman)
Dato' Alan Teo Kwong Chia
Dr Lim Su Kiat

Nominating Committee

Dato' Alan Teo Kwong Chia (Chairman)
Dato' Murly Manokharan
Mr Cheah Teik Seng
Dato' Choong Khuat Seng

Remuneration Committee

Mr Cheah Teik Seng (Chairman)
Dato' Alan Teo Kwong Chia
Dr Lim Su Kiat

Joint Company Secretaries

Ms Pan Mi Keay, ACIS
Ms Wong Sien Ting, ACIS

Registered Office

80 Robinson Road
#02-00 Singapore 068898
Tel: +65 6236 3333 Fax: +65 6236 4399
Email: investorrelations@aspen.com.my
Website: aspen.sg

Principal Place Of Business

Aspen House
300 Jalan Macalister
10450 George Town
Penang, Malaysia
Tel: +604 227 5000 Fax: +604 227 5005

Share Registrar

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte. Ltd.)
80 Robinson Road
#11-02 Singapore 068898

Auditors

KPMG LLP
Public Accountants and Chartered Accountants
16 Raffles Quay
#22-00 Hong Leong Building
Singapore 048581
Partner-in-Charge: Ms Karen Lee Shu Pei
Date of Appointment: 16 March 2017

Principal Bankers

Malayan Banking Berhad
Hong Leong Bank Berhad
OCBC Bank (M) Berhad
MBSB Bank Berhad
CIMB Bank Berhad

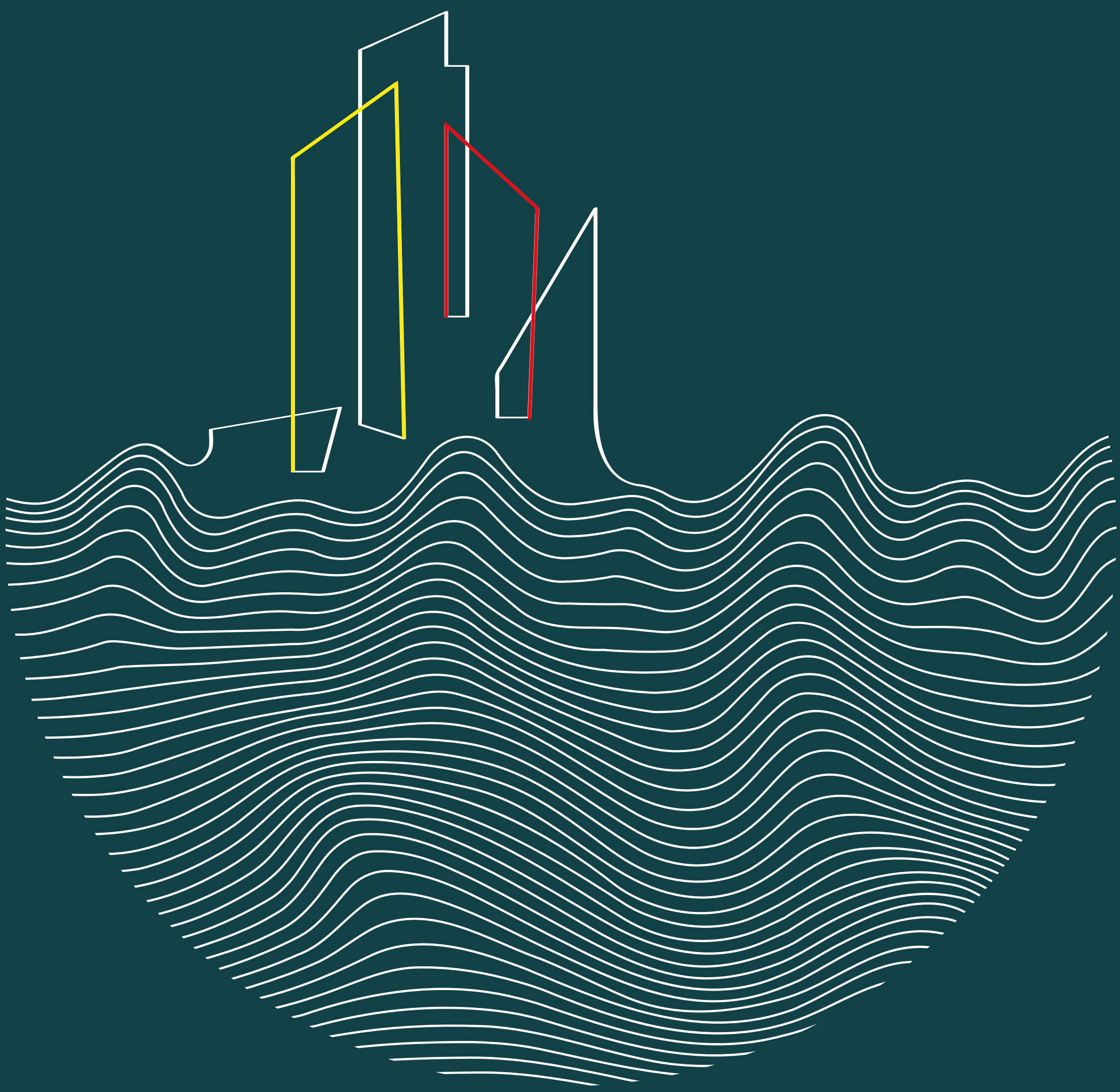
HH Park Residence Show Unit
Tanjung Bungah, Penang

CHAPTER 4

Property Development Sector

Healthcare Sector

Food & Beverage Sector



Development Projects

AVC™

ASPEN VISION CITY

BATU KAWAN ▪ PENANG

Aspen Vision City

Flagship Development

Aspen Group boldly ventured into Batu Kawan, when it was almost written off as a hinterland, quiet backwater and plantation country. With a resolute affirmation, Aspen Group answered Penang Development Corporation's clarion call to developers to transform Bandar Cassia, Batu Kawan into Penang's third satellite city.

Recognising the catalytic potential of this opportunity and driven by the challenge to completely redefine this area of the country, Aspen Group invested in 247 acres of freehold land ahead of initiating a joint venture partnership with IKEA Southeast Asia & Mexico to develop Batu Kawan into an iconic hub of the Northern Region of Malaysia.

Armed with a far-sighted vision and revolutionary masterplan, Aspen Group stepped up to spearhead the creation of an intelligently-integrated, self-sustaining and future metropolis, that is today known throughout the nation as Aspen Vision City.

This flagship development with a gross development value of RM13 billion is masterfully conceptualised to captivate the attention of investors both locally and internationally as the first smart city of its kind in Malaysia. Aspen Vision City will feature a state-of-the-art integrated regional shopping centre and the first IKEA lifestyle furniture store in the Northern Region.

As an integrated development with first-class infrastructure and amenities, Aspen Vision City comprises an eclectic mix of residential and commercial components ranging from luxurious designer homes to the region's future Central Business District; an Aloft Hotel, office towers, serviced residences, transportation hub; and features a green oasis in the form of a 25-acre Central Island Park at its heart.

The first and second phases of Aspen Vision City's development were successfully launched with the completion of its commercial development, Vervea Commercial Precinct and the first phase of Central Island Park, besides relishing the opening of the first IKEA store in the Northern Region of Malaysia on 14 March 2019.

To develop Aspen Vision City to become the most advanced city in Malaysia and a model state for smart living, Aspen Group formed powerful partnerships with global industry leaders to provide their best services and solutions that would meet the multi-faceted needs of end users. Pioneering collaborations with technology giants such as LG Electronics, Inc. and Telekom Malaysia Berhad, Aspen Vision City will boasts levels of smart city infrastructure that is unmatched by any other development in the country.

These are just the tip of the iceberg for the many plans in which Aspen Group will leverage to transform what was once considered a desolate piece of land, into a world-class smart metropolis. One that will remarkably redefine the way developers build for a sustainable and innovative future and redefine living for all.

Highlights

- Freehold
- A RM13 billion master development jointly developed by Aspen Group and IKEA Southeast Asia & Mexico
- Full-fledged smart city masterplan
- Transforming retail, shopping and entertainment experiences
- World-class healthcare and medical facilities
- Masterfully planned to be a bustling hub
- GBI certified eco-metropolis

IKEA Batu Kawan & Integrated Regional Shopping Centre

Highlights

- First IKEA store in the Northern Region
- World's largest home furnishing retailer
- A RM1.6 billion investment
- Serving a population of more than 6 million in the Northern Region

Total Floor Area
158,081 sqm

IKEA Southeast Asia & Mexico opened its first IKEA store with an investment of RM650 million in Aspen Vision City and the Northern Region of Malaysia with a built-up area of over 40,000 sqm. The store is wholly owned and operated by IKEA Southeast Asia & Mexico and is the anchor of the Integrated Regional Shopping Centre, a 92,903 sqm shopping paradise featuring an exciting mix of retail, food and beverage, entertainment and many more.

The vastly popular Swedish furniture chain offers an extensive range of modern and affordable home furnishings to the region, in addition to diverse job opportunities and economic spinoffs for the surrounding communities and businesses. Its strategic location in the heart of Batu Kawan also means that IKEA Batu Kawan will serve a population of over 6 million in the Northern Region of Malaysia, ensuring a uniquely vibrant, ever bustling commercial landscape in Aspen Vision City.

IKEA Batu Kawan fronts the main intersection of Bandar Cassia. Together with the Integrated Regional Shopping Centre and Vervea, the IKEA store will be amongst the first destinations greeting thousands of visitors daily.

On 12 December 2019, IKEA Southeast Asia & Mexico inaugurated the first phase of its latest meeting place- IKEA Meeting Place at IKEA Batu Kawan with more than 80,000 sq ft of space leased to popular brands including Harvey Norman, Sports Direct, Molly Fantasy, Project Rock, 7-Eleven and Tealive. The Integrated Regional Shopping Centre, which is the fifth shopping centre in Southeast Asia & Mexico's portfolio will mark a new retail age in Penang by combining the pulling power of IKEA with a wide range of F&B selections, interactive family spaces, green zones, a leisure and entertainment hub and an innovative retail start-up incubator.

IKEA Southeast Asia & Mexico will also launch a new drive-thru concept adjacent to IKEA Batu Kawan, which is expected to be fully operational by mid-2021. McDonald's Malaysia, taking up 35,000 sq ft of space, will be the first drive-thru partner to complement the existing dine-in IKEA restaurant and F&B tenants.

Columbia Asia Hospital - Batu Kawan

As part of its vision to build a self-sustaining smart city, Aspen Vision City has made Columbia Asia an integral part of its masterplan. Columbia Asia is a renowned multinational hospital chain with medical facilities located all across Southeast Asia, providing top-notch healthcare facilities and services.

Columbia Asia investment in building a state-of-the-art medical facility will occupy a site measuring approximately 3 acres. The facility will be equipped with more or less 150 beds and will have the distinction of being the only full-fledge service Columbia Asia Hospital in Penang and the second in the Northern Region. The hospital is expected to start its construction by Q4 2021.

Highlights

- Leading healthcare establishment with 29 hospitals across Southeast Asia
- Equipped with 150 beds
- Fully equipped with state of-the-art medical facilities

Total Floor Area
36,790 sqm

Central Island Park

Highlights

- Spanning across 25 acres of unprecedented green space to create a conducive community
- Central blue lagoon with a 52m high water jet
- Variety of thematic gardens and creative landscaping
- Comprehensive community amenities

Featuring a majestic record-breaking 52-metre high water fountain as its landmark feature, the Central Island Park has made a worthy entry into the Malaysia Book of Records.

The Central Island Park offers a wide range of amenities and community-centric facilities and is an ideal destination for visitors to indulge in an abundance of activities from community events, wholesome family activities to exciting recreational pursuits.

The Central Island Park is planned in four unique zones and phases, each with its own captivating repertoire of recreational offerings. The first phase was officially launched on 17 October 2018 and since its opening has been a crowd-puller with visitors thronging to soak in its ambience and enjoy the refreshing environment.

Besides leisure activities, the park is now a well-known venue to carry out events such as pre-wedding photoshoot and registration of marriage. The park is also among the selected venue in Penang to display the container art installation in conjunction with the State’s inaugural Penang International Container Art Festival (PICAF) 2020.

Master Plan of Aspen Vision City

1. IKEA Batu Kawan
2. Integrated Regional Shopping Centre
3. Vervea
4. Vervea Trade & Exhibition Centre (VTEC)
5. Vertu Resort
6. Viluxe
7. 25-acre Central Island Park
8. Clubhouse
9. Vogue Lifestyle Residence & Aloft Hotel
10. Vivo Executive Apartment
11. Viio
12. Columbia Asia Hospital-Batu Kawan
13. Drive-Thru F&B Outlet & Petrol Station
14. Aspen Vision City Sales Gallery
15. Office Tower
16. Retail / Office / Residential
17. McDonald's Drive-Thru
18. Future Developments
19. Future Developments
20. Future Developments

Vervea

Ready for Business Opportunities

TOP Obtained

Highlights

- Freehold
- 300-metre ETFE roof canopy covered High Street
- Every unit is equipped with its own individual elevator
- A world-class trade and exhibition centre with an area of approximately 3,530 sqm
- TOP obtained in January 2019

GDV

RM892.5 mil

Total Units

Shop Offices	434
Modern Business Hotel	1
Vervea Trade & Exhibition Centre (VTEC)	1
Multi-Storey Carpark	1

Total Floor Area

165,534 sqm

Vervea is basking in the distinction of being the largest gated and guarded commercial precinct in the Northern Region of Malaysia and is filled with exponential business and commercial opportunities.

As the first phase of the Aspen Vision City's masterplan, Vervea comprises 434 units of 3 and 4-storey shop offices that are complemented with a host of business-enhancing amenities. One of its many highlights include the Longest and Largest Ethylene Tetrafluoroethylene (ETFE) roof canopy in the country covering the 300-metre High Street that is recognised by the Malaysia Book of Records.

The components of Vervea strategically comprises a modern business hotel, a multi-storey car park and Vervea Trade & Exhibition Centre (VTEC). Vervea also boasts cutting-edge features such as a smart parking system, centralised automated waste management, real-time digital signage and is built to be fibre optic ready.

Easily accessible from the Second Penang Bridge, North-South Expressway and other major roads, Vervea enjoys high traffic flow from Penang Island as well as the Northern Region. Business establishments also benefit from being neighbours with the popular IKEA Batu Kawan, an incomparable commercial advantage that elevates the potential of Vervea tremendously.

Vervea Trade & Exhibition Centre (VTEC) is situated 12 storeys above a multi-storey car park and will feature versatile exhibition areas that can be expanded and divided into separate spaces, with an equally huge pre-function area. It also houses VIP and organiser rooms as well as kitchen and food preparation nooks.


VERVEA

Tri Pinnacle

Ready to Move-In
TOP Obtained

TRI PINNACLE
A VISION OF ASPEN

Highlights

- Freehold
- First private-initiated affordable housing project in Penang
- Affordably priced condominium with full-fledged condominium facilities
- Highly sought-after location in Tanjung Tokong
- TOP obtained in December 2018

GDV
RM427.2 mil

Total Units

Residential	1,317
Retail	4

Total Floor Area
91,524 sqm

TRI PINNACLE is the Northern Region's first private-initiated affordable condominium with state-of-the-art rooftop facilities that are often reserved for luxurious properties. The project is widely recognised as the catalyst initiative that inspired a host of similar affordable developments from other private developers across Penang.

Conceptualised to meet the expanding needs of today's modern families, TRI PINNACLE offers an ideal balance of space, lifestyle and convenience. From the practical living spaces to the lifestyle facilities and its prime location, TRI PINNACLE has successfully set a new benchmark for affordable housing projects.

Making TRI PINNACLE even more outstanding is its full-fledged condominium facilities, which include a sky infinity swimming pool and a gymnasium at the rooftop.


356

Vertu Resort

Ongoing Developments

Highlights

- Freehold
- Versatile layouts cater for different needs
- Optional move-in condition with furniture, electrical and kitchen appliances
- 18, 580 sqm of facilities spaces
- Expected Date of TOP: Q2 2021

GDV
RM660.5 mil

Total Units

Residential 1,246

Total Floor Area
131,330 sqm

Vertu Resort, is not only Aspen Vision City's first residential development but is also the first resort-inspired high-rise development on mainland Penang. It is conceptualised as a sustainable development, with vast eco-inspired features that meet the Green Building Index (GBI) Certification for the Silver rating.

Vertu Resort also comes with the option of move-in condition with fully-equipped electrical and kitchen appliances as well as home furnishings. Vertu Resort has abundant facilities and amenities to suit individual lifestyles such as 152m length swimming pool, cocktail & event deck, social kitchen, virtual games room and spa & wellness centre. Vertu Resort offers plenty of activities as part of its holistic living environment.

Upon completion, Vertu Resort will elevate the living standard of its residents by introducing a never-before-experienced cosmopolitan lifestyle.


VERTU
RESORT
OW UNITS
OR VIEWING
VERTU
RESORT

Beacon Executive Suites

Ongoing Developments

BEACON™
EXECUTIVE SUITES

Highlights

- Freehold
- Optional ready to move-in condition
- Sophisticated rooftop Sky Pool and Sky Gym
- Expected Date of TOP: Q2 2021

GDV
RM153.5 mil

Total Units

Residential	227
Retail	4

Total Floor Area
24,048 sqm

Strategically located within one of the most well-connected enclaves in Penang, Beacon Executive Suites promises residents the best of both worlds, connectivity and conduciveness amidst a tranquil setting.

Gracing the skyline of George Town at 30 storeys high, Beacon Executive Suites features a unique and distinctive Sky Podium at its highest floor, which commands a panoramic 360-degree view and houses a full range of lifestyle facilities that include swimming pool, indoor gymnasium and many more.

Beacon Executive Suites offers optional ready to move-in condition suites with exquisite finishing, impeccable décor and quality furnishing all around. It is poised to set new standards in living as all units will be fitted with cutting-edge smart features like smart services platform and on-the-go mobile applications for urbanites that are constantly on the move.

With futuristic smart lifestyle at its residents' fingertips, Beacon Executive Suites is set to change and redefine the landscape of smart living in Penang.


BEACON
EXECUTIVE SUITES

Vivo Executive Apartment

Ongoing Developments

Highlights

- Freehold
- Integrating with Integrated Regional Shopping Centre
- Designed with communal co-working space and social kitchen
- Expected Date of TOP: Q4 2023

GDV
RM558.3 mil

Total Units

Residential	1,530
Retail	14

Total Floor Area
110,149 sqm

Vivo Executive Apartment offers the best of flexibility and function with stylish comfort that can be easily transformed into a workspace that supports even the biggest ambitions.

Vivo Executive Apartment is where goals become reality. It is built with a communal co-working space and a social kitchen for residents to collaborate and create networks. Its strategic location within the intelligent and self-sustaining metropolis of Aspen Vision City in Batu Kawan, Penang gives it the unique advantages of being adjacent to the Integrated Regional Shopping Centre. Vivo Executive Apartment offers easy and convenient access to the North-South Expressway and other major roads.

Affordably priced, Vivo Executive Apartment is conceptualised to appeal to young executives and families.


VIVO

Viluxe

Ongoing Developments (Phase I)

Highlights

- Freehold premium landed homes in Batu Kawan
- The most prominent address on mainland Penang
- Gated and guarded landed community
- Fronting and with exclusive access to the 25-acre Central Island Park
- Expected Date of TOP: 2023 (Phase 1)

GDV

RM371.1 mil

Total Units

Residential 356

Total Floor Area

86,270 sqm

Viluxe, the freehold premium landed residence in Aspen Vision City, is conceptualised for the privileged few who appreciate the finer things in life.

Strategically located at the centre of Aspen Vision City's masterplan and next to the 25-acre Central Island Park, Viluxe is conveniently connected to other Aspen Vision City components including IKEA Batu Kawan, Integrated Regional Shopping Centre, Vervea, Vertu Resort, Columbia Asia Hospital – Batu Kawan, Aloft Hotel and much more.

Viluxe is an embodiment of affluence within a thriving metropolis, with the prospect of being beyond a mere residential address. It is a conviction of modern living with unparalleled connectivity to the existing economic powerhouse within the Northern Corridor.

Viluxe is set to be a new hallmark for landed residential developments on mainland Penang.


Ordinary
Ordinary
ELEGANCE
Women's wardrobe
homebook
ROMANTICISM
WORLD TRAVEL
About life
Go forward
NEVER GIVE UP
MECHANIZED WORLD
FURNITURE
Go forward
MECHANIZED WORLD
SENTIMENT
Smile life
MORA

Vogue Lifestyle Residence & Aloft Hotel

Pipeline Developments

Vogue LIFESTYLE RESIDENCE

Highlights

- Freehold
- Linked to IKEA Batu Kawan and Integrated Regional Shopping Centre
- Integrating with Aloft Hotel
- Experience an elevated life style at your doorstep

GDV
RM620.7 mil

Total Units

Residential	627
Office Suites	81
Retail	20

Total Floor Area
110,669 sqm

Located in the pulsating heart of urbanity, Vogue Lifestyle Residence is a mixed development integrated with the acclaimed Aloft Hotel and IKEA Batu Kawan. It offers flexibility to residents in the form of 2 and 3 bedroom suites with dual key options to suit the versatile needs of buyers, especially upgraders.

The Aloft Hotel will be the first international business class hotel in Batu Kawan and will consist of 308 rooms in its signature bold colour palettes and will be equipped with high-speed Wi-Fi and top-notch amenities.

Beyond the modern tranquillity, it offers direct access to some of its most celebrated neighbours including the first IKEA store and Integrated Regional Shopping Centre in the Northern Region.

Vogue Lifestyle Residence is the new icon of contemporary living in the growing urban centre of Batu Kawan, Penang. It is an attraction to a myriad of international and local corporations, businesses and brands, with facilities and amenities all within easy reach.


Vogue
aloft
HOTELS
IKEA

Aspen Glove
Healthcare Sector

ASPEN GLOVE

In September 2020, the Group announced its plan to diversify into rubber gloves manufacturing and distribution to be undertaken as a joint venture with CMY Capital Sdn. Bhd. The Group via the special purpose vehicle Aspen Gloves Sdn. Bhd. ("AGSB"), leased a piece of 29.331-acre land for 60 years in Kulim Hi-Tech Park to set up its glove manufacturing facilities.

AGSB will leverage on the latest technology to streamline complex processes to increase productivity and profitability.

The Group is committed to building a sustainable manufacturing facility to minimize environmental and health concerns, and conserve energy and natural resources. In addition to rainwater harvesting tanks for reuse, solar panels that transform light energy to electricity will be installed to reduce operating costs. AGSB will also leverage on Energy Management System (EMS) to achieve continual improvement of energy performance and efficiently use natural resources in the production of gloves.

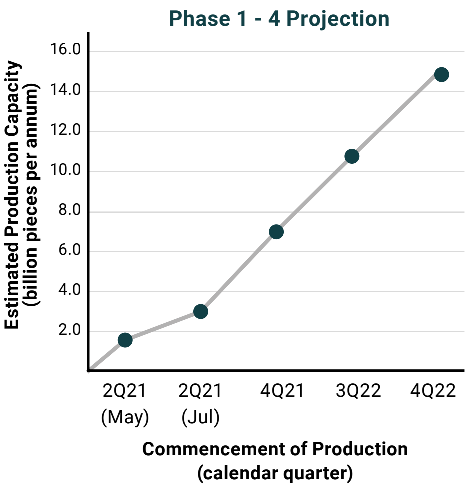
AGSB is also committed to continuously improve the health and safety of its workforce to drive productivity while preventing ill-health and injuries.

AGSB will embrace Industry 4.0 to drive digital transformation and leverage on the Internet-of-Things (IoT) to gain a competitive edge. An internal research and development team is formed to conduct intensive research and collaborate with local and international universities to formulate sustainable and environment-conscious manufacturing processes that will add value to the society and the economy.

In line with that, AGSB through AG Medical Tech Sdn. Bhd. (AGMT) will develop a blockchain-based supply chain management to achieve better traceability of its products and contribute to the Environmental, Social and Corporate Governance (ESG) agenda of the Group.

AGMT will also carry out R&D for solutions, products and automation related to medical technology for AGSB. AGSB envisions to penetrate the market and gain a reasonable share with strategic planning around pricing, competitors, marketing strategies and distinctive positioning. This is to expand its operations and presence in successive phases to include Own Brand Manufacturing (OBM) and own distribution network globally.

Highlights



Phase 1 - 4	Phase 5+
TOTAL No. of Production Lines	TOTAL No. of Production Lines
48 lines	96 lines
TOTAL Estimated Production Capacity	TOTAL Estimated Production Capacity
14.4 billion pieces of gloves per annum	28.8 billion pieces of gloves per annum

Kanada-Ya

Food and Beverage Sector

Highlights

- Four outlets
- Expected to open another four outlets in various locations in Singapore in 2021
- Kanada-Ya was established in 2009 in the small town of Yukuhashi, Fukuoka, Japan
- 16 outlets worldwide- 2 in Japan, 3 in London, 6 in Hong Kong, 1 in Barcelona, and 4 in Singapore

In April 2019, Aspen Group ventured into the food and beverage sector by securing the master franchise rights from Kanada-Ya UK Ltd., for exclusive rights in Singapore, Malaysia and Thailand. Kanada-Ya SG Pte. Ltd. now has the exclusive territorial rights to establish and operate KANADA-YA outlets as well as develop the franchise of KANADA-YA in these countries.

Kanada-Ya UK Ltd. is the owner of authentic Japanese ramen dining outlets under the 'KANADA-YA' brand outside of Japan. The brand has been voted the number one ramen in London by The Telegraph and has garnered numerous accolades under their belt.

The very first outlet of Kanada-Ya in Southeast Asia was in Paya Lebar Quarter Mall, Singapore and is enjoying overwhelming support from its patrons. Following this support, the franchise successfully expanded with the opening of its second, third and fourth outlets at Change Alley Mall, Marina Square and Paragon Orchard respectively.

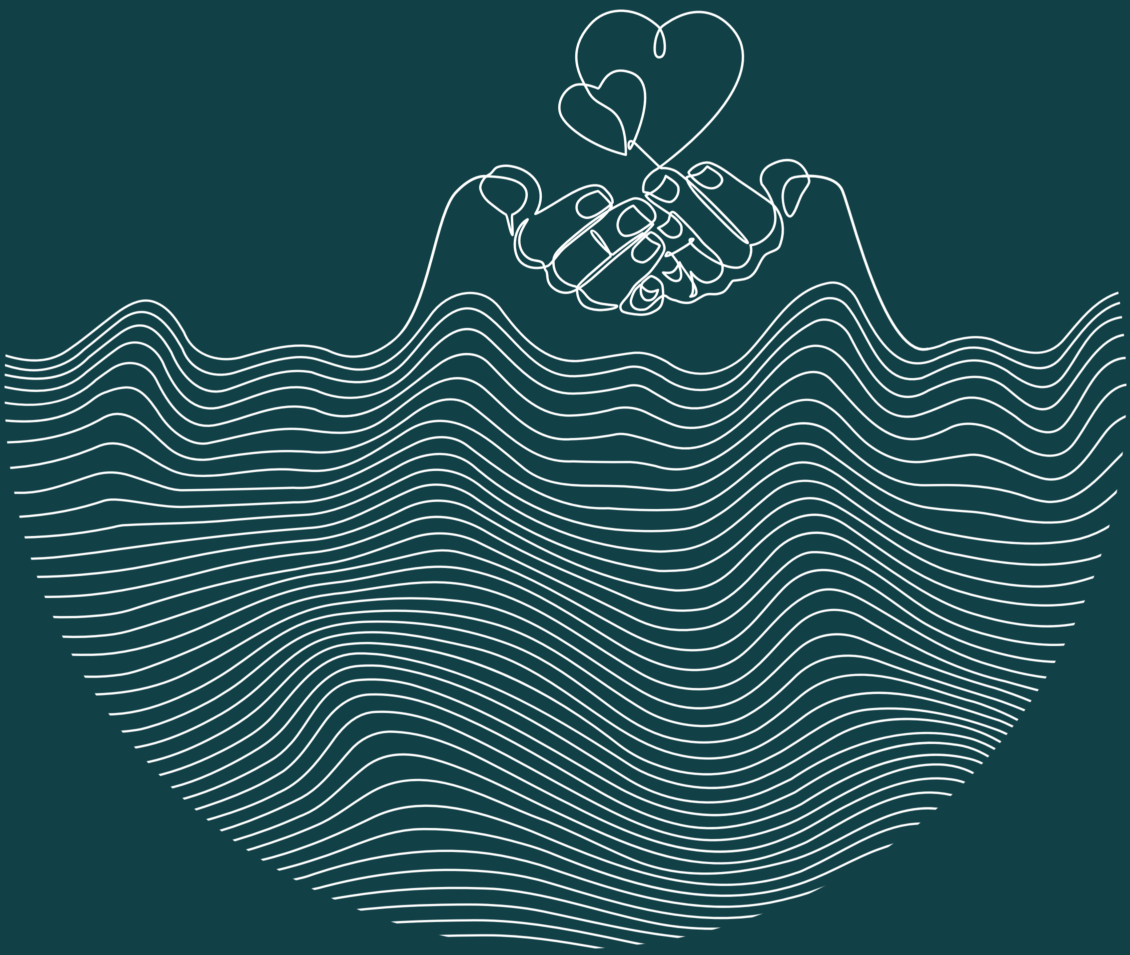
The ongoing Covid-19 pandemic reinforces the Group's efforts to leverage on social media and online platforms to boost its food and beverage business across Singapore, by providing take-out and delivery services through its four existing KANADA-YA outlets.


金田家
麺処
KANADA-YA

CHAPTER 5

Community Engagement Events

Co-Workers Engagement Activities



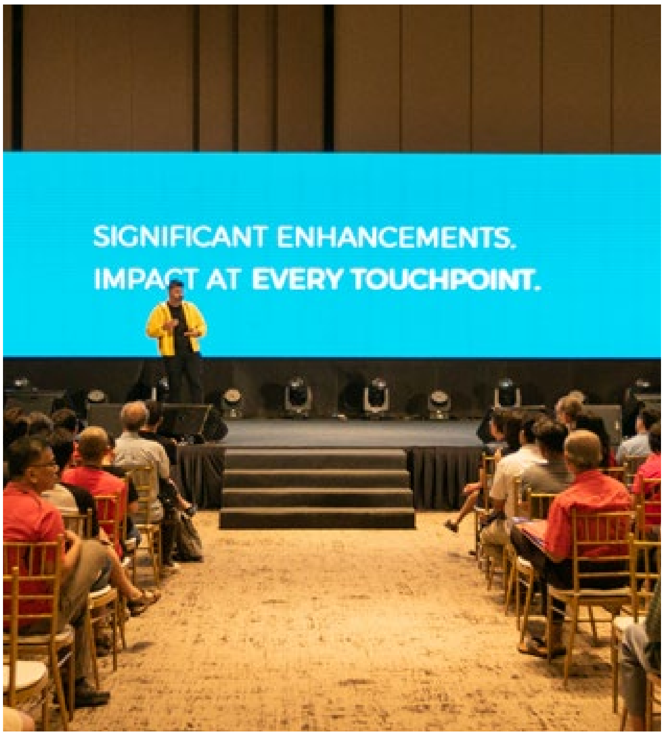
Community Engagement Events

Unveiling Of Vertu Resort Signature Collection

11 January 2020

The Vertu Resort Lifestyle Enhancement is the impetus of the President and Group Chief Executive Officer Dato' M. Murly. The comprehensive enhancements are designed to incorporate and encompass every aspect of lifestyle concepts. They also provide the latest and the best conveniences, security features and status ranking for its residents to attain and "live life to its fullest".

Vertu Resort's Signature Collection gives purchasers the creative freedom and rare opportunity to design and customise their new homes to meet their individual lifestyle needs and purposes.



Chinese New Year Aspenormous 2020 Goodie Bag Distribution

19 & 29 January 2020

Aspenians led the way and took to the streets at the Occupy Beach Street event and at the iconic Penang ferry on two respective days to usher in the auspicious Lunar New Year 2020. They celebrated and shared the festive joy with a multitude of celebrants and commuters thronging George Town. With cheery greetings and the distribution of goodie bags full of "prosperity and happiness", fortune cookies and ang pow packets, they painted the town red.

Aspen Vision City Chinese New Year Festival

31 January 2020

Spring in Vervea Commercial Precinct was a festive affair filled with gaiety and fun. The High Street was transformed into a carnival street to celebrate the 7th Day of Lunar New Year or 'Ren Ri' (the birthday of humankind). The brightly-lit traditional red lanterns were a welcome sight to the guests and visitors who came in droves to celebrate with Aspenians. The decorated stalls offered traditional and forgotten arts and crafts for sale, as well as quick lessons for those who were interested. The guests had a fabulous time playing at the games booths with antique gold coins, and the highlight of the night was the many delightful Chinese cultural performances. It was indeed a celebration that everyone in the family enjoyed.

Penang International Container Art Festival (PICAF) 2020

8 February 2020

The 25-acre Central Island Park (CIP) in Aspen Vision City was among the chosen venues to display the container art installation held in conjunction with the Penang State's inaugural Penang International Container Art Festival (PICAF) 2020. The murals displayed at CIP was drawn by famed Canadian artist, Emmanuel Jarus and Kuala Lumpur-based artist, Caryn Koh.

The mural depicted a local fisherman preparing to fish in the Penang Strait while, the other side featured a mural depicting the artist's close friend sitting cosily while grasping and looking at a braided rope.

Contribution To Food Distribution Programme

31 March 2020

The onslaught of the Covid-19 pandemic had brought unexpected hardships to many people, especially the marginalised segment of our community. Aspen Group responded to a call for contributions of essential items and dry food items to the Food Distribution Programme organised by the Penang Chief Minister YAB Tuan Chow Kon Yeow, the programme was targeted specifically for the people of the Padang Kota constituency in George Town.

Vertu Resort Actual Show Unit Tour

28 August 2020

Purchasers of Vertu Resort were invited for a special preview and live tour of an actual completed unit onsite.The tour was conducted to give purchasers a glimpse of their dream homes and also to appreciate the workmanship of the units. The visiting purchasers were impressed that the completed unit lived up to the project's promise of providing unsurpassed quality.

Contribution To Penang Prison

26 October 2020

When an appeal from Frontliners came to the attention of Aspenians, they immediately rallied to answer the call. All in all, Aspenians with their family and friends raised RM8,000.00 within a span of three days in response to the Frontliners' appeal to purchase protective and medical essentials such as PPE suits, hand sanitisers, face shields and other toiletries. These were the items that were desperately needed by the prison personnel in their fight against the sudden surge and spread of Covid-19 at the Penang State Prison.

Co-Workers Engagement Activities

Aspen Group Thaipusam Refreshment Stall
9 February 2020

Out of devotion and dedication to serve the community, Aspen Group faithfully continued its annual tradition of setting up refreshment stalls (panthal) for the duration of the return journeys of both the golden and silver chariots during Thaipusam. The Group's wholehearted commitment was reflected in its set-up of a magnificent first-of-its-kind stall made with sustainable fibre material. Aspenians personally served food and beverage to the devotees and spectators seeking blessings from the Lord Muruga.

World Environment Day 2020
5 June 2020

Aspenians commemorated World Environment Day and advocated their commitment to environmental awareness and consciousness by pledging to reduce single-use plastics. In conjunction with this day, Aspenians were encouraged to be attired in shades of green. In appreciation of the camaraderie of everyone who showed up in green, best dressed Aspenians were feted for their enthusiastic participation.

International Eat An Apple Day
19 September 2020

Aspenians coming to work were pleasantly surprised with a cheery greeting and a gift bag filled with healthy, and crunchy apples to celebrate International Eat An Apple Day. The event is commemorated to nurture healthy eating habits among Aspenians.

In Support Of Pinktober
21 October 2020

Breast Cancer Awareness Month and its accompanying pink ribbon are synonymous with the month of October.

Aspenians sported pink ribbon brooches to show their support and foster a sense of community to the long-standing campaign. It was to raise awareness of early detection as well as to celebrate and honour the strength and survival of the brave fighters, survivors and the lost ones.

Celebrating Pinktober By Raising Greater Awareness Talk
23 October 2020

Aspenians attended a talk organised to raise awareness about breast health and breast cancer. Dr. Teoh Mei Shi, a Breast, Endocrine & General Surgeon from Loh Guan Lye Specialist Centre was the invited specialist who shared the latest medical advancement, importance of early detection and a wealth of other information.

Vervea Trade & Exhibition Centre (VTEC)
Aspen Vision City, Penang

CHAPTER 6

Corporate Governance Report

Financial Reports

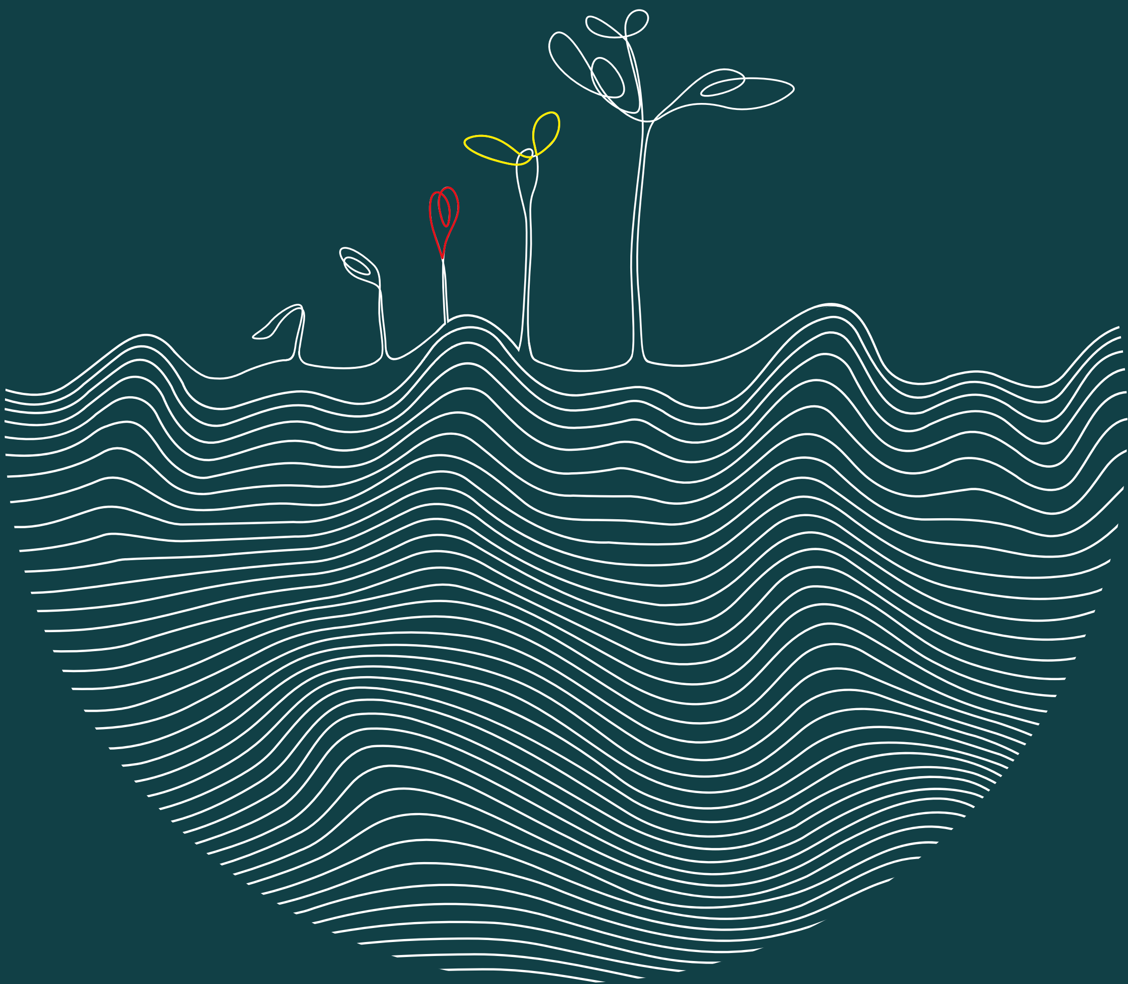
Statistics of Shareholdings

Notice of Annual General Meeting

Disclosure of Information on Directors Seeking Re-Election

Appendix to the Annual Report

Proxy Form



Corporate Governance Report

The board of directors (the "**Board**") and the management of Aspen (Group) Holdings Limited (the "**Company**" and together with its subsidiaries, the "**Group**") are strongly committed to high standards of corporate governance which are essential to the stability and sustainability of the performance of the Group, promotion of corporate transparency, accountability and integrity of the Group, protection of the interests of the Company's shareholders ("**Shareholders**") and maximisation of long-term shareholder value. The Group officially commenced trading on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Mainboard on 28 January 2021 following its successful transfer from SGX Catalist to the Mainboard.

The Group has substantively complied with the recommendations of the revised Code of Corporate Governance 2018 ("**Code**"), issued on 6 August 2018, through effective self-regulatory corporate practices to protect and enhance the interests of its Shareholders. This report describes the Company's corporate governance processes and activities in conjunction with the Listing Manual of SGX-ST ("**Listing Manual**") requirements that issuers describe its corporate governance practices that were in place during the financial year ended 31 December 2020 ("**FY2020**") with specific reference made to the principles and provisions of the Code. The Company is also guided by the voluntary Practice Guidance which was issued to complement the Code and which sets out best practice standards for companies. Where there are deviations from the Code, appropriate explanations are provided.

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

The Company is headed by an effective Board which is collectively responsible and works with Management for the long-term success of the Company.

The primary function of the Board is to lead and control the Company by forming an effective working relationship with the management as the Board is collectively and ultimately responsible for the long-term success of the Company.

Besides carrying out its statutory responsibilities, the Board's other roles are to:

i. provide entrepreneurial leadership, set strategic aims and ensure that the necessary financial and human resources are in place for the Group to meet its objectives;
ii. establish a framework of prudent and effective controls which enables the identification, assessment and management of risks, including safeguarding of Shareholders' interests and the Group's assets;
iii. review management performance;
iv. identify the key stakeholder groups and recognise that their perceptions affect the Group's reputation;
v. set the Group's values and standards (including a code of conduct and ethical standards), set appropriate tone-from-the-top and desired organisational culture, ensure proper accountability within the Company and ensure that obligations to Shareholders and other stakeholders are understood and met;
vi. consider sustainability issues, for example, environmental and social factors, as part of its strategic formulation; and
vii. provide oversight of the proper conduct of the Group's business and assume responsibility for corporate governance.

The directors of the Company (the "**Directors**") are of the view that they have objectively discharged their duties and responsibilities at all times as fiduciaries in the interests of the Company. Directors facing conflict of interest have recused themselves from discussions and decisions involving the issues of conflict.

To assist the Board in the execution of its responsibilities, various committees, namely, the Audit Committee ("**AC**"), Nominating Committee ("**NC**") and Remuneration Committee ("**RC**") (collectively referred herein as

"Board Committees") that are headed by Independent Directors, have been established and delegated with certain functions. The chairman of the respective committees will report to the Board on the outcome of the committee meetings and their recommendations on the specific agendas mandated to the committees by the Board. Further details of the scope and functions of the various committees are provided below in this corporate governance report ("**Report**").

The Board holds at least two scheduled meetings each year to review and deliberate on the key activities and business strategies of the Group, including significant acquisitions and disposals, annual budget, financial performance and to endorse the release of the half-yearly and annual financial results. Where necessary, additional meetings are held to address significant transactions or issues arising from the business operations of the Group.

The constitution of the Company (the "**Constitution**") provides for Directors to conduct meetings by teleconferencing, videoconferencing, audio-visual or other electronic means of communication. When a physical meeting is not possible, timely communication with members of the Board can be achieved through electronic means. The Board and Board Committees may also make decisions through circulating resolutions.

The attendance of the Directors at meetings of the Board and the Board Committees during FY2020 is tabulated below:

	Board	General Meeting	Audit Committee	Nominating Committee	Remuneration Committee
Total number of meetings held	2	2	3	2	2
Number of meetings attended by respective directors					
Executive Directors					
Dato' Murly Manokharan	2	2	–	2	2#
Dato' Seri Nazir Ariff Bin Mushir Ariff	2	2	–	–	–
Ir. Anilarasu Amaranazan	2	2	2#	–	–
Non-Independent Non-Executive Director					
Dr. Lim Su Kiat	2	2	3	2#	2
Mr. Ching Chiat Kwong	1	–	–	–	–
Mr. Low See Ching (Liu Shijin) (Alternate director to Mr. Ching Chiat Kwong)	1	1	–	–	–
Independent Directors					
Mr. Cheah Teik Seng	2	2	3	2	2
Dato' Alan Teo Kwong Chia	2	2	3	2	2
Dato' Choong Khuat Seng	2	2	–	2	1#

By invitation

Material matters which specifically require the Board's decision or approval are clearly communicated to the management in writing. They include the following corporate matters:

i. Announcement of financial statements;
ii. Interested persons transactions;
iii. Declaration of interim dividends and proposal of final dividends;
iv. Convening of shareholders' meetings;
v. Change in business direction;
vi. Authorisation of merger and acquisition transactions; and
vii. Authorisation of major transactions.

The Company has documented the guidelines for matters that require the Board's decision or approval.

The Company will provide a newly-appointed Director guidance and orientation (including management's presentation) which will allow such person to understand the Group's business operations, strategic directions and policies, corporate functions and governance practices. If necessary, on-site visits to the Group's local and overseas places of operation will be arranged for a newly- appointed Director. Upon appointment, a Director will be provided a formal letter which sets out his duties and obligations. If a newly-appointed Director does not have any prior experience as a director of a listed company, the Company will arrange for such person to undertake training in the roles and responsibilities of a director of a listed company and to familiarise such person with the relevant rules and regulations governing a listed company.

While the Directors are generally responsible for their own individual training needs, the Company is responsible for arranging and funding the training of Directors. As such, continuous and on-going training programmes are made available to the Directors from time to time, such as courses on directors' duties and responsibilities as well as seminars and talks on relevant subject fields.

A new Director who has no prior experience as a director of an issuer listed on the SGX-ST must also undergo mandatory training in his roles and responsibilities as prescribed by the SGX-ST. Ir. Anilarasu Amaranazan who was appointed as the Group Managing Director on 1 February 2019, has completed the four mandatory training courses in the roles and responsibilities of a director of a listed company as prescribed by SGX-ST.

The Directors are conscious of the importance of continuing education in areas such as legal and regulatory responsibilities and accounting issues, so as to update and refresh themselves on matters that may affect their performance as a Board, or as a member of a Board committee by attending training for Directors on such relevant new laws, regulations and changing commercial risks from time to time when appropriate.

Access to Information

The Directors are provided with complete, adequate and timely information in the form of Board papers and all other relevant materials prior to each Board and Board Committees meetings and at such other time as necessary on an ongoing basis to enable the Directors to make informed decisions and discharge their duties and responsibilities. Information provided to the Board includes background information relating to the matters to be brought before the Board. Relevant information on material events and transactions are circulated to the Directors as and when they arise. The Board also receives regular reports pertaining to the operational and financial performance of the Group with explanations for material variance between budget and actual performance. In respect of budgets, any material variance between the projections and actual results will be disclosed and explained.

The Board members have separate and independent access to the management, who will provide additional information as may be needed by the Board to make informed decisions in a timely manner.

The Board members also have separate and independent access to the Company Secretaries. The role of the Company Secretaries is clearly defined and includes responsibility for ensuring that board procedures are followed and that applicable rules and regulations are complied with. Under the Chairman's direction, the Company Secretaries should ensure good information flow within the Board and the Board Committees and between the management and non-executive Directors, advising the Board on all governance matters and facilitating orientation and assisting with professional development as may be required. The Company Secretaries attend all meetings of the Board and Board Committees and minutes of the Board and Board Committees are circulated to the whole Board for review and information.

The Board is fully involved in and responsible for the appointment and removal of the Company Secretaries.

Where the Directors, either individually or as a group, in the furtherance of their duties, require professional advice, the management will assist them in obtaining independent professional advice, at the Company's expense.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the company.

The Board of the Company comprises the following Directors: -

Name of Director	Position in the Board
Mr. Cheah Teik Seng	Chairman and Independent Non-Executive Director
Dato' Murly Manokharan	President and Group Chief Executive Officer
Dato' Seri Nazir Ariff Bin Mushir Ariff	Executive Deputy Chairman
Ir. Anilarasu Amaranazan	Group Managing Director
Dr. Lim Su Kiat	Non-Independent Non-Executive Director
Dato' Alan Teo Kwong Chia	Independent Non-Executive Director
Mr. Ching Chiat Kwong	Non-Independent Non-Executive Director
Dato' Choong Khuat Seng	Independent Non-Executive Director
Mr. Low See Ching (Liu Shijin)	Alternate Director to Mr. Ching Chiat Kwong

The Company believes that there should be a strong and independent element on the Board in order for it to exercise objective judgment on corporate and business affairs. Hence, the Board comprises eight Directors, out of whom three are Independent Directors, two are Non-Independent and Non-Executive Directors and three are Executive Directors, and the AC, RC and NC are constituted in compliance with the Code. The Board has a strong and independent element with three (3) independent Directors that make up to more than one-third of the Board, in compliance with Principle 2 of the Code. The Company also believes that the Independent Directors should be selected for their diverse expertise so that they can provide a balance of views.

As set out under the Code, an independent director is one who is independent in conduct, character and judgement, and has no relationship with the Company, its related corporations, its substantial shareholders or its officers that could interfere, or be reasonably perceived to interfere, with the exercise of the director's independent business judgement with a view to the best interests of the Company. The NC deliberates to determine the independence of a Director bearing in mind the salient factors set out under this provision in the Code as well as all other relevant circumstances and facts. To facilitate the NC in its review of the independent status of the Directors, each Independent Director will confirm his independence. The Executive Directors are considered non-independent. During FY2020, the NC has reviewed and has confirmed the independence of the Independent Directors in accordance with the Code. There were no Directors who are deemed independent by the Board, notwithstanding the existence of a relationship as stated in the Code that would otherwise deem him not to be independent.

There are no Independent Directors who have served on the Board beyond nine (9) years from the date of his first appointment.

The NC is of the view that the Board has the requisite blend of expertise, skills and attributes to oversee the Group's business. Collectively, they have competencies in areas that are relevant and valuable to the Group, such as accounting, corporate finance, business development, management, sales and strategic planning. In particular, the Executive Directors have many years of experience in the industry that the Group operates in. The NC considers that the Board's present size is adequate for effective debate, strategic decision-making and in exercising accountability to Shareholders and delegating authority to the management, taking into account the nature and scope of the

Group's operations. As the Group's activities continue to grow, the NC will continuously review the composition of the Board so that it will have the necessary competency to be effective. The NC will further consider other aspects of diversity such as gender and age, and assist the Board to put in place a board diversity policy and progress for implementation of such policy, so as to avoid groupthink and foster constructive debate. The Board currently does not have a female director. While the NC is aware of the merits of gender diversity to the Board composition, the NC notes that it is only one of the many aspects of diversity. While due consideration would be given to female representation on the Board, the NC will continue to make its selection of candidates based on objective criteria which it believes is in the best interest of the Company.

The Non-Executive Directors (including the Independent Directors) provide constructive advice on the Group's strategic and business plans. They constructively challenge and help develop proposals on strategy for the Group. They also review the performance of the management in relation to agreed goals and objectives and monitor the reporting of performance of the Group. The Company has complied with Provision 2.3 of the Code as a majority of the Board members are non-executive directors.

To facilitate more effective checks on management, the Non-Executive Directors are encouraged to meet as and when necessary without the presence of the management. The Non-Executive Directors did not meet without the presence of the management during FY2020 as they are of the view that such meeting(s) were not necessary.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision-making.

The Company believes that a clear division of responsibilities between the Non-Executive Chairman and the Group Chief Executive Officer ("**Group CEO**") ensures an appropriate balance of power, increased accountability and greater capacity of the Board for independent decision-making. The positions of the Non-Executive Chairman and Group CEO are held by Mr. Cheah Teik Seng and Dato' Murly Manokharan respectively and they are not related to each other.

The Chairman's duties and responsibilities include:

i. leading the Board to ensure its effectiveness on all aspects of its role;
ii. setting the agenda and ensure that adequate time is available for discussion of all agenda items, in particular strategic issues;
iii. promoting a culture of openness and debate at the Board;
iv. ensuring that the Directors receive complete, adequate and timely information;
v. ensuring effective communication with Shareholders;
vi. encouraging constructive relations within the Board and between the Board and the management;
vii. facilitating the effective contribution of Non-Executive Directors;
viii. encouraging constructive relations between Executive Directors and Non-Executive Directors; and
ix. promoting high standards of corporate governance.

In the event the Chairman is conflicted, the Executive Deputy Chairman will provide leadership over the Board to oversee the Chairman's duties and responsibilities.

The Group CEO's duties and responsibilities include:

i. improving, developing, extending, maintaining, advising and promoting the Group's businesses to protect and further the reputation, interest and success of the Company and the Group;
ii. undertaking such duties and exercising such powers in relation to the Group and their businesses as the

Board shall from time to time properly assign to or vest in him in his capacity as the Group CEO and all other matters incidental to the same; and

iii. overseeing, formulating and implementing corporate strategies and directions for the affairs of the Group.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of directors, taking into account the need for progressive renewal of the Board.

The appointment of new Directors to the Board is recommended by the NC which comprises four (4) Directors, namely, Dato' Alan Teo Kwong Chia (Chairman of the NC), Mr. Cheah Teik Seng, Dato' Murly Manokharan and Dato' Choong Khuat Seng. As Dato' Alan Teo Kwong Chia, Mr. Cheah Teik Seng and Dato' Choong Khuat Seng are Independent Directors, the NC comprises a majority of independent directors in compliance with Provision 4.2 of the Code.

The principal functions of the NC, regulated by written terms of reference and undertaken by the NC during FY2020, are as follows:

i. review board succession plans for Directors;
ii. develop a process for evaluation of the performance of the Board, the Board Committees and the Directors;
iii. review the training and professional development programs for the Board;
iv. review, assess and make a recommendation to the Board on all Board selection, appointments and re-appointments, taking into consideration the composition and progressive renewal of the Board and each Director's competencies, contributions and performance;
v. review and determine annually the independence of Directors;
vi. decide the assessment process and implement a set of objective performance criteria to be applied from year to year for evaluation of the Board's performance; and
vii. evaluate the Board's effectiveness as a whole and each Director's contribution to its effectiveness in accordance with the assessment process and performance criteria adopted, including deciding whether a Director is able to and has been adequately carrying out his/her duties when he/she has multiple board representations.

The NC leads the process and makes recommendations to the Board for the selection and approval of the appointment of new Directors as follows:

i. evaluates the balance of skills, knowledge and experience on the Board and, in the light of such evaluation and in consultation with the management, prepares a description of the role and the essential and desirable competencies for a particular appointment;
ii. while existing Directors and the management may make suggestions, seeks external help where necessary to source for potential candidates;
iii. meets with short-listed candidates to assess their suitability and to ensure that the candidate(s) are aware of the expectations and the level of commitment required; and
iv. makes recommendations to the Board for approval.

The Board understands that appointment of alternate directors should generally be avoided. At present, only one (1) alternate Director i.e. Mr. Low See Ching (Liu Shijin) has been appointed to the Board who will only act as the appointed Director of the Company where Mr. Ching Chiat Kwong would otherwise be unable to act. As Mr. Ching and Mr. Low were respectively appointed as the Director and the alternate Director at the same time, Mr. Low is equally familiar with the Company's affairs and the NC and the Board have after a due review concluded that Mr. Low is similarly qualified as Mr. Ching prior to his appointment.

Regulations 97 and 98 of the Constitution of the Company provide that one-third of the Directors (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation and are eligible for re-election at each annual general meeting ("**AGM**"). Rule 720(5) of the Listing Manual prescribes that all Directors are required to retire from office at least once every three (3) years. Newly appointed Directors shall hold office only until the next AGM and are eligible for re-election at the AGM pursuant to Regulation 103 of the Constitution of the Company. Shareholders approve the re-election of Board members at the AGM.

The NC assesses and recommends to the Board the retiring directors to be re-elected at the forthcoming AGM. When an existing director chooses to retire or is required to retire from office by rotation, the NC takes the factors such as attendance, preparedness, participation and candour into consideration when evaluating the past performance and contribution of a director when making its recommendations to the Board.

The NC has recommended and the Board has agreed for the following directors to retire and seek for re-election at the forthcoming AGM:

a. Dato' Murly Manokharan (retiring under Regulation 97 of the Constitution of the Company);
b. Dato' Alan Teo Kwong Chia (retiring under Regulation 97 of the Constitution of the Company); and
c. Mr Ching Chiat Kwong (retiring under Regulation 97 of the Constitution of the Company).

Dato' Murly Manokharan will, upon re-election as Director, remain as the President and Group Chief Executive Officer of the Company.

Dato' Alan Teo Kwong Chia will, upon re-election as Director, remain as the Independent Non-Executive Director, Chairman of the NC as well as a member of the AC and RC. He will be considered independent for the purposes of Rule 704(8) of the Listing Manual.

Mr Ching Chiat Kwong will, upon re-election as Director, remain as a Non-Independent Non-Executive Director. He will be considered non-independent for the purpose of Rule 704(8) of the Listing Manual.

The detailed information of these directors, including information as required under Appendix 7 .4.1 of the Listing Manual can be found on pages 192 - 210.

Dato' Murly Manokharan, Dato' Alan Teo Kwong Chia and Mr Ching Chiat Kwong, had abstained from participating in the discussion and recommendation on their respective nominations.

The NC determines the independence of Directors annually, and as and when circumstances require, in accordance with the provisions set out in the Code and the declaration form completed by each Independent Director disclosing the required information.

The NC is of the opinion that the Board has been able to exercise objective judgment on corporate affairs independently and that the Board's decision making process is not dominated by any individual or small group of individuals.

The NC also determines whether a Director with multiple board representations is able to and has been adequately carrying out his duties as a Director of the Company. The NC takes into account the results of the assessment of the effectiveness of the individual Director and the respective Directors' actual conduct on the Board. The NC is satisfied that all the Directors have been able to and have adequately carried out their duties as Director notwithstanding their multiple board representations. Notwithstanding the multiple board representations by the Directors, the Directors are still able to spend adequate time on the Company's affairs, respond to the resolutions and have duly discharged their responsibilities.

The NC and the Board are of the view that there should not be any restriction to the number of board representations that each Director may take up as multiple board representations do not necessarily hinder the Directors from carrying out their duties. The NC and the Board are of the view that multiple board representations may be beneficial as these widen the experience of the Directors and broaden the perspective of the Directors and the Board.

Key information regarding the Directors is disclosed below and also under the sections on "Board of Directors" and "Disclosure of information on directors seeking re-election" pursuant to Rule 720(6) of the Listing Manual in this Annual Report on pages 25 and 192 respectively.

Name of Director & Positions	Date of first appointment	Date of last re-election	Academic & Professional Qualifications	Shareholding in Company & related corporations	Current Directorships or Chairmanships in other listed companies	Other principal commitments	Directorships and Chairmanships held over the preceding three (3) years in other listed companies
Dato' Murly Manokharan • President & Group CEO • Member of NC	22-12-2016	25-04-2019	Executive Diploma in Project Management, University of Technology Malaysia	• Deemed interest of 45.75% in the Company via 64.76% shareholding in Aspen Vision Group Sdn. Bhd.; and • Deemed interest of 0.95% in the Company via 100% shareholding in Intisari Utama Sdn. Bhd.	Nil.	Nil.	Nil.
Dato' Seri Nazir Ariff Bin Mushir Ariff • Executive Deputy Chairman	30-05-2017	25-06-2020	• Certificate of Membership, British Institute of Management • Management Development Programme, Ashridge Management College, UK • Management Development Programme, Asian Institute of Management, the Philippines • Association of Certified and Corporate Accountants'	Nil.	• PBA Holdings Berhad, Malaysia • Texchem Resources Berhad, Malaysia	Nil.	Nil.
Mr. Cheah Teik Seng • Independent Director & Chairman of the Board • Chairman of AC & RC • Member of NC	20-06-2017	25-06-2020	• Bachelor of Science (Honours), University of Manchester, UK • Fellow of the Institute of Chartered Accountants in England and Wales	4,480,252 ordinary shares in the Company	Nil.	Nil.	Nil.

Name of Director & Positions	Date of first appointment	Date of last re-election	Academic & Professional Qualifications	Shareholding in Company & related corporations	Current Directorships or Chairmanships in other listed companies	Other principal commitments	Directorships and Chairmanships held over the preceding three (3) years in other listed companies
Dato' Alan Teo Kwong Chia • Independent Director • Chairman of NC • Member of AC & RC	20-06-2017	25-04-2019	• ASEAN Senior Manager Development Program, Harvard Business School Alumni Club of Malaysia • Premier Business Manager Program, Harvard Club of Malaysia	205,516 ordinary shares in the Company	Nil.	Nil.	Nil.
Dr. Lim Su Kiat • Non-Executive Non-Independent Director • Member of AC & RC	22-12-2016	25-06-2020	• Bachelor of Business (Accounting), Monash University, Australia • Master of Business (Accounting), Monash University, Australia • Doctor of Philosophy, Monash University, Australia	33,152 ordinary shares in the Company	Nil.	Firmus Capital Pte. Ltd. (Chief Executive Officer)	Nil.
Mr. Ching Chiat Kwong • Non-Executive Non-Independent Director	25-05-2018	25-04-2019	• Bachelor of Arts, National University of Singapore • Bachelor of Social Sciences with Honours, National University of Singapore	Deemed interest of 9.36%in the Company via shareholdings in Oxley Holdings Limited	• Oxley Holdings Limited	Nil.	• Artivision Technologies Ltd. • HG Metal Manufacturing Limited • Median Group Inc. (formerly Clixter Mobile Group Inc.)
Mr. Low See Ching (Liu Shijin) • Alternate Director to Mr. Ching Chiat Kwong	25-05-2018	N.A.	• Bachelor of Accountancy, Nanyang Technological University, Singapore	Deemed interest of 9.36%in the Company via shareholdings in Oxley Holdings Limited	• Oxley Holdings Limited • Hafary Holdings Limited	Nil.	Nil.

Name of Director & Positions	Date of first appointment	Date of last re-election	Academic & Professional Qualifications	Shareholding in Company & related corporations	Current Directorships or Chairmanships in other listed companies	Other principal commitments	Directorships and Chairmanships held over the preceding three (3) years in other listed companies
Dato' Choong Khuat Seng • Non-Executive Independent Director • Member of NC	28-06-2018	25-04-2019	• Bachelor of Arts in Economics, City of Birmingham Polytechnic • Master of Business Administration, The University of Aston in Birmingham	Nil.	Nil.	Nil.	Nil.
Ir. Anilarasu Amaranazan • Group Managing Director	01-02-2019	25-04-2019	• Bachelor of Engineering (Civil), University of Technology Malaysia • Masters of Science (Construction Management), University of Technology Malaysia • Member of the Institute of Engineering Malaysia • Professional Member of the Board of Engineers Malaysia	242,000 ordinary shares in the Company	Nil.	Nil.	Nil.

PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual directors.

The NC has implemented a formal Board evaluation process in assessing the effectiveness of the Board, the various Board Committees and the individual Directors. The objective of the annual evaluation is to identify areas for improvement and to implement appropriate action. The NC did not engage any external facilitator's services with respect to the evaluation process.

The Directors were requested to complete appraisal forms to assess the overall effectiveness of the Board, the various Board Committees and the individual Directors for FY2020. The results of the appraisal exercise were tabulated, analysed and considered by the NC which then made recommendations to the Board on areas for improvement, aimed at helping the Board to discharge its duties more effectively.

The appraisal process focused on, inter alia, the areas of evaluation on the Board such as Board composition and size, access to information, Board procedures, Board accountability and standards of conduct.

The appraisal process for the AC encompasses AC's composition and size, committee process, accountability, internal controls and risk management systems and audit process whereas the appraisal process for the NC and the RC evaluates the respective committee's composition and size and committee process.

Following the review in FY2020, the NC is of the view that the Board and the Board Committees have operated efficiently and each director is contributing to the overall effectiveness of the Board as a whole and that the relevant criteria for the review of the performance of the Board and the Board Committees will be maintained from year to year, subject to such necessary change(s) which is to be approved by the Board.

The Board has met its performance objectives for FY2020.

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual directors and key management personnel. No director is involved in deciding his or her own remuneration.

The members of the RC comprise entirely of Non-Executive Directors, namely Mr. Cheah Teik Seng (Chairman of the RC), Dato' Alan Teo Kwong Chia and Dr. Lim Su Kiat. Mr. Cheah Teik Seng and Dato' Alan Teo Kwong Chia are Independent Directors. As such, the RC comprises a majority of independent directors in compliance with Provision 6.2 of the Code.

The principal functions of the RC, regulated by written terms of reference and undertaken by the RC during FY2020, include the following:

i. review and recommend to the Board a general framework of remuneration and specific remuneration package for the Board and key management personnel covering all aspects of remuneration, including but not limited to fees, salaries, allowances, bonuses, share-based incentives and benefits-in-kind;
ii. review and ensure that the remuneration policies and practices are sound in that they are able to attract, retain and motivate without being excessive;
iii. structure an appropriate portion of Executive Directors' and key management personnel's remuneration so as to link rewards to corporate and individual performance so as to align them with the interests of

Shareholders and promote the long-term success of the Group; and

iv. review the Company's obligations arising in the event of termination of the Executive Directors and key management personnel's contracts of service to ensure that the termination clauses are fair and reasonable and not overly generous to avoid rewarding poor performance.

The RC reviews the framework for remuneration of the Board and the key management personnel and recommends to the Board for adoption. The RC also determines specific remuneration packages and terms of employment for each Executive Director and key management personnel.

The RC's recommendations are submitted for endorsement by the entire Board. All aspects of remuneration, including but not limited to Director's fees, salaries, allowances, bonuses, options, benefits-in-kind and termination terms for the Board and key management personnel are covered by the RC.

Each member of the RC will abstain from voting on any resolutions in respect of his remuneration package.

There were no remuneration consultants engaged in FY2020. The RC will if necessary, seek expert advice inside and/or outside the Company on remuneration matters.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and key management personnel are appropriate and proportionate to the sustained performance and value creation of the company, taking into account the strategic objectives of the company.

Executive Directors do not receive Directors' fees. The performance-related elements of remuneration are designed to align the interests of Executive Directors with those of Shareholders and link rewards to the Group's financial performance.

The Company had entered into separate service agreements with the Executive Directors, in which the terms of their employment are stipulated. Their initial term of employment is for a period of three (3) years from the date of admission of the Company to the Catalist board of the SGX-ST (being 28 July 2017), save for Ir. Anilarasu Amaranazan who was appointed on 1 February 2019 and thereafter, their employment is renewed annually subject to termination clauses in the service agreements. The service agreement may be terminated by giving not less than six (6) months' prior written notice. Under the service agreements, each of the Executive Directors is entitled to be paid an incentive bonus annually which is pegged to the financial performance achieved by the Group for that financial year.

The Non-Executive Directors (including the Independent Directors) are paid a base fee. An additional fee is also paid to Non-Executive Directors for serving on any of the Board Committees. Such fees are pro-rated if a Director serves for less than one (1) year. The Directors' fees are subject to approval by Shareholders at the AGM.

The Company has adopted the AV Employee Share Option Scheme (the "**ESOS**") on 19 June 2017 prior to its listing on the SGX-ST Mainboard. The ESOS shall be administered by a committee comprising members of NC and RC (the "**Administration Committee**"). The purpose of the ESOS is to provide an opportunity for employees of the Group to participate in the equity of the Company so as to motivate them towards greater dedication, loyalty and higher standards of performance, and to give recognition to past contributions and services. Under the rules of the ESOS, the options that are granted may have exercise prices that are, at the Administration Committee's discretion, set at the price ("**Market Price**") equal to the average of the last dealt prices for the Company's ordinary shares ("**Shares**") on the Catalist for the five consecutive trading days immediately preceding the relevant date of grant of the relevant option, or (provided that Shareholders' approval is obtained in a separate resolution) at a discount to the Market Price (subject to a maximum discount of 20% or such other percentage or amount as may be determined by the Administration Committee and as permitted by the SGX-ST). Options which are fixed at the Market Price may be exercisable at any time by the participant after the first anniversary of the date of grant of that option while options granted at a discount to the Market Price may only be exercised after the second anniversary from the date of grant of the option. Options granted under the Scheme will have a life span of ten (10) years. The options may be exercisable in whole or in part, on payment of the exercise price.

Since the commencement of the ESOS till the end of the FY2020:

i. no option has been granted to the controlling shareholders of the Company or their associates;
ii. no participants have received more than 5% of the total number of options available to be allotted and issued under the ESOS;
iii. no option has been granted to the directors and employees of the Group and/or its parent company and its subsidiaries; and
iv. no option has been granted at a discount.

Accordingly, disclosure as required pursuant to Rule 852(1) of the Listing Manual is not applicable.

In addition to the ESOS, the Company has adopted the AV Performance Share Plan (the "PSP") on 19 June 2017 prior to its listing on the SGX-ST Mainboard. The PSP was implemented to complement the ESOS and to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve increased performance. No shares were awarded to any employees, directors, controlling shareholders or their associates under the PSP during the financial year in review.

The Group obtained the Shareholders approval during the extraordinary general meeting held on 21 January 2021 to amend the ESOS and PSP to take into account the requirements of the Mainboard Rules.

In setting remuneration packages, the Company keeps in mind the pay and employment conditions within the industry and in comparable companies. The level and structure of remuneration should be aligned with the Company's long-term interest and risk policies and appropriate to attract, retain and motivate the Directors and the key management personnel to respectively provide good stewardship of the Company and manage the Company effectively. If required, the Company will engage professional advice to provide guidance on remuneration matters.

The RC and Board are of the view that it is currently not necessary to use contractual provisions to allow the Company to reclaim incentive components of remuneration from the Executive Directors and key management personnel in exceptional circumstances of misstatement of financial statements, or misconduct resulting in a financial loss to the Company. The Executive Directors owe a fiduciary duty to the Company. The Company should be able to avail itself to remedies against the Executive Directors and key management personnel in the event of such exceptional circumstances or breach of fiduciary duty.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Given the highly competitive condition of the industry that the Group operates in and the sensitivity of remuneration matters, the Board is of the view that it is not in the best interest of the Company to disclose the full remuneration of the Executive Directors and the key management personnel, breakdown of the remuneration of the key management personnel as well as the aggregate amount of remuneration paid or payable to the key management personnel.

A breakdown showing the level and mix of the remuneration of the Directors paid or payable in respect of FY2020 is as follows:

	Base/ Fixed Salary and EPF[1] (%)	Performance-related income[2] (%)	Directors' Fees 2019[3] (%)	Benefit-in-Kind (%)	Total (%)
S$1,500,001 up to S$1,750,000 p.a.					
Dato' Murly Manokharan	96.16	3.84	0.00	0.00	100.00
S$250,001 to S$500,000 p.a.					
Dato' Seri Nazir Ariff Bin Mushir Ariff	93.76	3.67	0.00	2.57	100.00
Ir. Anilarasu Amaranazan	91.25	5.61	0.00	3.14	100.00
S$0 up to S$250,000 p.a.					
Mr. Cheah Teik Seng	0.00	0.00	100.00	0.00	100.00
Dr. Lim Su Kiat	0.00	0.00	100.00	0.00	100.00
Dato' Alan Teo Kwong Chia	0.00	0.00	100.00	0.00	100.00
Mr. Ching Chiat Kwong	0.00	0.00	100.00	0.00	100.00
Dato' Choong Khuat Seng	0.00	0.00	100.00	0.00	100.00

Note:
1. EPF denotes Employees Provident Fund.
2. Bonuses declared for FY2019, paid in FY2020.
3. In respect of FY2020, the amount of Directors' Fees proposed to be payable to the Non-Executive Directors (including the Independent Directors) are subject to the approval of Shareholders at the forthcoming AGM.

No Director has been granted the share-based award during FY2020.

The total remuneration paid or payable to the Group's top seven (7) key management personnel (who is not a Director or CEO) for FY2020 are as follows:-

Key Management Personnel	Remuneration Band
Mr. Iskandar Basha Bin Abdul Kadir	A
Mr. Calvin Ng Soon Ghee	A
Puan Zainun Binti Abdul Rahman	A
Mr. Lim Soo Aun	A
Ms. Cheah See Peng, Celine	A
Ms. Chong Meng Fong, Joanne	A
Ms. Rowena Nair	A

"Band A" means S$0 up to S$250,000 per annum.

The Executive Directors and key management personnel are not entitled to any benefits upon termination, retirement or post- employment.

During FY2020, the Group does not have any employees who are substantial shareholders of the

Company or are immediate family members of a Director, the CEO or a substantial shareholder of the Company.

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that management maintains a sound system of risk management and internal controls, to safeguard the interests of the company and its shareholders.

Accountability

The Board has embraced openness and transparency in the conduct of the Company's affairs, whilst preserving the interests of the Group. The Board provides a balanced and understandable assessment of the Group's performance, position and prospects through announcements of the Group's half-yearly and full-year financial results, and announcements of the Group's major corporate developments from time to time. In line with the continuous disclosure obligations under the Listing Manual, the Board has and will continue to inform Shareholders promptly of all pertinent information. Such information is disclosed to Shareholders on a timely basis through SGXNet. All disclosures submitted to the SGX-ST on SGXNet are also made available on the Company's corporate website (aspen.sg).

The Board is accountable to the Shareholders and is mindful of its obligations to furnish timely information and to ensure full disclosure of material information to Shareholders in compliance with statutory requirements and the Listing Manual. The management provides the Board with the management accounts on a regular basis and as the Board may require from time to time. Such reports keep the Board informed of the Group's performance and contain explanation and information to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospects.

Risk Management and Internal Controls

The Board is committed to maintaining a sound system of internal controls to safeguard Shareholders' investments and the Group's assets. The Board oversees the management in the design, implementation and monitoring of risk management and internal control systems and is responsible for determining the nature and the extent of the significant risks which the Company is willing to take in achieving its strategic objectives and value creation. The Company currently does not have a Board Risk Committee as the Board is of the view that the Board and AC, with the help of the management, is sufficient in addressing the risk management and internal controls of the Company.

The AC and the Board review on an annual basis the adequacy of the Group's internal controls, operational and compliance controls, and risk management policies and systems established by the management. The system of internal controls and risk management established by the Company are designed to manage, rather than eliminate the risk of failure in achieving the Group's strategic objectives. The management is involved in regular reviews of the risks that are significant to the fulfilment of the objectives of the business. However, it should be recognised that such systems are designed to provide reasonable assurance, but not an absolute guarantee against material misstatement or loss. During FY2020, the Company's appointed internal auditor, BDO LLP, has conducted an internal audit review based on an agreed scope of review. In respect of FY2020 under review, the Board has received a written assurance from the Group CEO and Chief Financial Officer ("**CFO**"):-

i. confirming that the Group's financial records have been properly maintained and the Group's consolidated financial statements for FY2020 give a true and fair view of the Group's operations and finances; and

ii. confirming that the Group's risk management and internal control systems in place were adequate and effective to address the financial, operational, compliance and information technology risks, and risk management systems in the context of the current scope of the Group's business operations.

Based on (i) the internal controls established and maintained by the Group, (ii) work performed by the internal and external auditors, (iii) reviews performed by the management, the AC and the Board, and (iv) the aforementioned letter of assurance provided by the Group CEO and CFO, the Board with the concurrence of the AC, is of the opinion that the Group's internal controls, addressing financial, operational, compliance and information technology risks, and risk management systems were adequate and effective for FY2020 to address the risks that the Group considers relevant and material to its operations.

The Board notes that no system of internal controls and risk management can provide absolute assurance in this regard, or absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, losses, fraud or other irregularities. However, the Board, together with the AC and the management, will review the adequacy and effectiveness of the internal control framework on an on-going basis and address any specific issues or risks whenever necessary.

Internal Audit

The internal audit function is currently outsourced to Messrs BDO LLP, which reports directly to the AC. The AC approves the appointment, termination, evaluation and compensation of the internal auditors. The internal auditors have unfettered access to all the Company's documents, records, properties and personnel, including access to the AC and has appropriate standing within the Company.

In the opinion of the Board, Messrs BDO LLP meets the standards set out by both nationally and internationally recognised professional bodies and is satisfied that the internal auditors are qualified and experienced personnel.

The internal audit plans are reviewed and approved by the AC, to ensure the adequacy of the scope of audit with the arising audit outcome presented and reviewed by the management, the AC and the Board.

The AC has reviewed and is satisfied that the Company's internal audit function for FY2020 is independent, effective and adequately resourced.

The AC will annually review the scope and results of the internal audit and ensure that the internal audit function is adequately resourced.

PRINCIPLE 10: AUDIT COMMITTEE

The Board has AC which discharges its duties objectively.

The AC comprises three Non-Executive Directors, namely Mr. Cheah Teik Seng (Chairman of the AC), Dato' Alan Teo Kwong Chia and Dr. Lim Su Kiat. The AC is comprised of a majority of independent directors, including the Chairman of the AC.

All members of the AC have extensive related management and financial experience. The Board considers them as having sufficient financial management knowledge and experience to discharge their responsibilities in the AC.

The AC has full access to, and co-operation from the management, and has full discretion to invite any Director, executive officer or other persons to attend its meetings. It may require any such Director, officer or other person in attendance to leave the proceedings (temporarily or otherwise) to facilitate open discussion.

The duties and responsibilities of the AC are contained in written terms of reference, which are mainly to assist the Board in discharging its statutory and other responsibilities relating to internal controls, financial and accounting matters, compliance, business and financial risk management.

The duties of the AC include the following:

i. recommending to the Board on the proposals to Shareholders on the appointment, re-appointment and removal of the external auditors, and approving the remuneration and terms of engagement of the external auditors;
ii. reviewing the adequacy, effectiveness, independence, scope, changes, results and cost-effectiveness of the external and internal audit plan and process, and the independence and objectivity of the auditors;
iii. reviewing the Group's half-yearly and annual financial statements and related notes and announcements relating thereto, accounting principles adopted, and the external auditors' report prior to recommending to the Board for approval;
iv. reviewing, evaluating and reporting to the Board at least annually, having regard to input from external and internal auditors, the adequacy and effectiveness of the system of internal controls, including financial, operational, compliance and information technology controls;
v. reviewing the nature, scope, extent and cost-effectiveness of any non-audit services provided by the external auditors and ensuring that these do not affect the independence and objectivity of the external auditors;
vi. reviewing any significant financial reporting issues and judgments and estimates made by the management, so as to ensure the integrity of the financial statements of the Group and any announcements relating to the Group's financial performance;
vii. reviewing the adequacy and effectiveness of the Group's internal audit function;
viii. reviewing the interested person transactions reported by the management to ensure that they were carried out on normal commercial terms, and are not prejudicial to the interests of Shareholders;
ix. reviewing the assurance from the Group CEO and CFO on the financial records and financial statements; and
x. reviewing the policy and arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on.

The AC has met with the internal auditors and external auditors without the presence of the Company's management during FY2020 to review any matters raised then.

In respect of FY2020, the AC has reviewed the independence of the external auditors, Messrs KPMG LLP and recommended that Messrs KPMG LLP be nominated for re-appointment as auditors at the forthcoming AGM. In recommending the re-appointment of the auditors, the AC considered and reviewed a number of key factors, including amongst other things, the adequacy of the resources and experience of the supervisory and professional staff as well as audit engagement partner to be assigned to the audit, and size and complexity of the Group and its businesses and operations. The Group has also complied with Rules 712 and 715 of the Listing Manual in relation to the appointment of its external auditors.

The total fees paid in respect of audit and non-audit fees to the external auditors, Messrs KPMG LLP for FY2020 are as stated below.

External Auditors Fees for FY2020	RM '000	% of total fees
Total audit fees	557	97
Total non-audit fees	15	3
Total fees paid	572	100

No non-audit services have been provided by the external auditors for FY2020.

The AC has reviewed the amount of fees paid for non-audit services to the external auditors and the AC is satisfied that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors.

The AC has the authority to investigate any matter brought to its attention within its terms of reference, with the authority to engage professional advice at the Company's expense.

The Group has in place a whistle-blowing policy which allows employees to raise concerns about possible improprieties in matters of financial reporting or other matters in confidence and ensures that there is independent investigation of such matters and appropriate follow up action. Details of the whistle-blowing policy have been made available to all employees of the Group. The AC will review the whistle blowing policy from time to time and will consider extending the whistle-blowing policy to persons other than employees in due course.

Details of the activities of the AC are also provided under Principle 9 of this report. In addition to the activities undertaken to fulfil its responsibilities, the AC is kept abreast by the management, external and internal auditors on changes to accounting standards, stock exchange rules and other codes and regulations which could have an impact on the Group's business and financial statements as well as attending the relevant external training and seminars in respect thereof.

No former partner or director of the Company's existing auditing firm is a member of the AC. None of the members of the AC has any financial interest in the auditing firm.

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The company treats all shareholders fairly and equitably in order to enable them to exercise shareholders' rights and have the opportunity to communicate their views on matters affecting the company. The company gives shareholders a balanced and understandable assessment of its performance, position and prospects.

Shareholder Rights

Shareholders are treated fairly and equitably to facilitate their ownership rights. In line with the continuous disclosure obligations of the Company, pursuant to the Listing Manual and the Companies Act, the Board's policy is that Shareholders should be informed in a comprehensive manner and on a timely basis of all material developments of the Group which would be likely to materially affect the price or value of the Company's Shares.

Shareholders have the opportunity to participate effectively in and vote at general meetings of Shareholders. They will be informed of the rules, including voting procedures that govern the general meetings.

The Company allows corporations which provide nominee or custodial services to appoint more than two proxies so that Shareholders who hold Shares through such corporations can attend and participate in general meetings as proxies.

Conduct of General Meetings

The Board supports the Code's principle to encourage Shareholders' participation at general meetings.

The Board encourages Shareholders to attend general meetings to ensure a greater level of Shareholders' participation and to meet with the Board and the key management personnel so as to stay informed of the Group's developments and to raise issues and ask the Directors or the management questions regarding the Group's business and operations. The Directors, including the Chairman of the AC, NC and RC, and the management as well as external auditors will be present at general meetings to address Shareholders' queries.

Currently, the Constitution of the Company allows a member of the Company to appoint up to two proxies to attend and vote at general meetings. Pursuant to Section 181 of the Companies Act, a member of the Company who is a relevant intermediary is entitled to appoint more than two proxies to attend and vote in his stead. "Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act.

The Company practices having separate resolutions at general meetings on each substantially separate issue. Where the resolutions are "bundled", the Company will explain the reasons and material implications in the notice of meeting. The Company also makes available minutes of general meetings, including relevant substantial comments or queries from shareholders relating to the agenda of the general meetings and responses from the Board or the Management, to Shareholders upon their requests. The Company does not publish minutes of general meetings on its corporate website as contemplated by the Code. There are potential adverse implications, including commercial and legal implications, for the Company if the minutes of general meetings are published to the public at large. The Company is of the view that its position is consistent with the intent of Principle 11 of the Code as shareholders have a right to attend general meetings either in person or by proxy, where they may exercise their right to speak and vote and have the opportunity to communicate their views on various matters affecting the Company. Further, shareholders, including those who did not attend the relevant general meeting, have a statutory right to be furnished copies of minutes of general meetings in accordance with Section 189 of the Companies Act. The Company is therefore of the view that, consistent with the intent of Principle 11 of the Code, as between themselves, shareholders are treated fairly and equitably by the Company.

The Company will conduct voting by poll and an announcement detailing the results, including the total number of votes cast for and against each resolution and the respective percentages will be announced via SGXNet after the conclusion of the general meeting.

As the authentication of shareholder identity and other related security and integrity issues still remain a concern, the Company has decided for the time being, not to implement absentia voting methods such as voting via mail, e-mail or fax.

The Company has adopted a dividend policy ("**Dividend Policy**"), which was announced via SGXNet on 7 September 2017. As disclosed in the Dividend Policy, the Company will declare annual dividends, including interim dividends, of not less than 20% of the Company's consolidated profit after tax and non-controlling interest, excluding non-recurring, one-off and exceptional items, in respect of any financial year commencing financial year ending 31 December 2018 to its shareholders, subject to inter alia, the Company's retained earnings, financial position, capital expenditure requirements, future expansion, investment plans, approval from lenders and other relevant factors. The management plans to conserve cash in this soft market conditions. As such, the Board has decided that no dividend will be declared or recommended for the financial year ended 31 December 2020. However, the Dividend Policy remains in place. The Board may declare the payment of dividends when market conditions improve and are more favourable.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

The company communicates regularly with its shareholders and facilitates the participation of shareholders during general meetings and other dialogues to allow shareholders to communicate their views on various matters affecting the company.

Communication with Shareholders is managed by the Board and Management.

The Company does not have an investor relations policy as the Company is of the view that the communication channels provided via SGXNet and the Company's corporate website (aspen.sg) are sufficient to provide timely communication of material events to shareholders.

The Company does not make price-sensitive disclosure to a selected group. All announcements are released via the SGXNet and are also available on the Company's corporate website (aspen.sg). The Company's Annual Report, notice of AGM, proxy form and questions form will be accessible through the SGXNet and publication on our corporate website.

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the company are served.

The Group has identified stakeholders as those who are impacted by the Group's business and operations as well as those who have a material impact on the Group's business and operations as provided in the Group's 2019 Sustainability Report, the Company has regularly engaged its stakeholders through various channels to ensure that the business interests of the Group are aligned with those stakeholders, to understand and address the concerns so as to improve services and products standards, as well as to sustain business operations for long-term growth. The Company takes a pragmatic approach in managing stakeholders' expectations to support its long-term strategy. Pertinent information and news are regularly conveyed to the stakeholders through SGXNet and social media page such as Facebook.

Additionally, the Company maintains a corporate website at https://aspen.com.my to communicate and engage with stakeholders through the contact information of the Company which can be found on the website.

SUSTAINABILITY REPORTING

The Sustainability Report will outline the Company's efforts, pursuits and initiatives towards achieving the Group's sustainability goals through operational and business practices. It covers the material Environment, Social and Governance ("**ESG**") factors relevant to the Group. Our framework of sustainability reporting is in line with the Listing Manual and is guided by the Global Reporting Initiative (GRI) Standards – Core option, the international standard for sustainability reporting ("**GRI Standards**").

By applying the relevant GRI Standards, we identify and prioritise sustainability topics for reporting. The materiality assessment is conducted through a series of engagement sessions with internal stakeholders and studying existing feedback of external stakeholders. The material topics determined last year were deemed to be relevant and current by the Board and our corporate sustainability committee.

The Company is in the midst of finalising its Sustainability Report for FY2020. It will be made available to the shareholders on the SGXNet and the Company's website by 31 May 2021.

DEALINGS IN SECURITIES

The Group has implemented appropriate internal guidelines on dealings in the Company's securities in compliance with the best practices as set out in Rule 1207(19) of the Listing Manual. All Directors and staff of the Group are not allowed to trade in the Company's securities during the periods commencing one month before the announcement of the Company's half-yearly and full year financial results respectively. To facilitate compliance, reminders are issued to all directors and staff prior to the applicable trading black-outs. Our directors and staff, who are expected to observe insider trading laws at all times, are also discouraged from dealing in the Company's securities on short-term considerations.

NON-SPONSOR FEES

During FY2020, non-sponsor fees paid and/or payable to the Company's sponsor, PrimePartners Corporate Finance Pte. Ltd. was S$111,860 (approximately RM340,726). The appointment of PrimePartners Corporate Finance Pte. Ltd. as the Company's Sponsor had ceased on 28 January 2021, i.e. the effective date of the Company's transfer from the Catalist to the Mainboard of the SGX-ST

INTERESTED PERSON TRANSACTIONS

The Group has procedures governing all Interested Persons Transactions ("**IPT**") to ensure that they are properly documented and reported in a timely manner to the AC and that they are carried out on normal commercial terms and are not prejudicial to the interests of the Company and its minority shareholders.

There were no material contracts of the Group involving the interests of any director or controlling shareholder entered into since the end of the financial year ended 31 December 2020.

The AC will continue to review and monitor any IPTs that may arise and ensure that the Company seeks appropriate approvals, makes appropriate announcements or disclosures on these IPT in accordance with Chapter 9 of the Listing Manual.

The Company did not obtain any general mandate from Shareholders for interested person transactions pursuant to Chapter 9 of the Listing Manual.

USE OF PROCEEDS

Private Placement Proceeds

The Company refers to the net proceeds amounting to S$23.68 million (excluding placement expenses of approximately S$0.12 million) raised from the private placement which was completed on 18 November 2020.

As at the date of this announcement, the status on the use of the proceeds from the private placement is as follows:

Use of Net Proceeds from Private Placement	**Amount allocated S$'000**	**Amount utilised S$'000**	**Balance S$'000**
Capital expenditures for the growth of Group's business	18,944	(15,410)[1]	3,534
General working capital purposes	4,736	(4,736)[2]	-
Total	23,680	(20,146)	3,534

Notes:

(1) S$15.41 million utilised for investment in Aspen Glove Sdn. Bhd. The exchange rate as at 31 December 2020 of RM3.0396: S$1.00 is used for the above compilation.

(2) S$4.74 million utilised for working capital consist of professional and consultancy payment of S$0.54 million, repayment of loan and borrowing including interest amounting to S$2.70 million, investment in subsidiary (Kanada-Ya) amounting to S$0.74 million and S$0.76 million for general operational and administrative expenses. The exchange rate as at 31 December 2020 of RM3.0396: S$1.00 is used for the above compilation.

The Board will continue to update in periodic announcements on the utilisation of the balance of the proceeds from the private placement as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its half yearly and full year financial results announcements.

Convertible Loan

The Company refers to the disbursement amounting to USD$10.89 million (excluding arranger fee of USD$0.11 million) from the acceptance of a Convertible Loan from Haitong International Financial Products (Singapore) Pte. Ltd. as announced on 20 May 2018 and 19 October 2018.

On 27 October 2020, the Company had entered into a supplemental deed with Dato' Murly A/L Manokharan and Lender to extend the loan tenure for an additional twelve (12) months commencing on and including 18 April 2020 and ending on and including 17 April 2021 subject to the loan being reduced, upon the terms and conditions hereinafter appearing. Further, the reduced loan shall only be used for financing of investment in Global Vision Logistics Sdn. Bhd. for the development of a logistics hub is Shah Alam.

As at the date of this announcement, the status on the use of disbursements from the Convertible Loan is as follows:

Use of Net Disbursement from Convertible Loan	Amount allocated USD$'000	Amount utilised USD$'000	Balance USD$'000
Investment in Global Vision Logistics Sdn. Bhd.	5,445	(1,395)(1)	4,050
Construction of Central Park	3,267	(3,267)(2)	-
Investment in Bandar Cassia Properties (SC) Sdn. Bhd.	2,178	(2,178)(3)	-
Total	10,890	(6,840)	4,050

Notes:
(1) USD$1.40 million utilised for investment in Global Vision Logistics Sdn. Bhd. which intends to develop a sustainable integrated logistics and warehousing hub as announced on 13 June 2018.
(2) USD$3.27 million utilised for the construction of Central Park located in Aspen Vision City.
(3) USD$2.18 million utilised for investment in Bandar Cassia Properties (SC) Sdn. Bhd. which intends to construct the Integrated Regional Shopping Centre.
(4) The exchange rate as at 28 January 2019 of RM4.1080: USD$1.00 is used for the above compilation.

The above utilisations are in accordance with the intended use of the proceeds from the Convertible Loan and percentage allocated, as stated in the announcement dated 20 May 2018 and supplemental deed dated 27 October 2020.

The Board will continue to update in periodic announcements on the utilisation of the proceeds from the Convertible Loan as and when the proceeds are materially disbursed and provide a status report on such use in its annual report and its half yearly and full year financial results announcements.

MATERIAL CONTRACTS

Save for those disclosed under the section "Interested Person Transactions" and the service agreement between the Executive Directors and the Company, there were no material contracts entered into by the Company and its subsidiaries involving the interests of its CEO, Directors or controlling shareholders which are either still subsisting at the end of FY2020 or if not then subsisting, entered into by the Company during the period under review.

Financial Reports

Directors' Statement

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the year ended 31 December 2020.

In our opinion:

a. the financial statements set out on pages 104 to 179 are drawn up so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date in accordance with the provisions of the Singapore Companies Act, Chapter 50 and Singapore Financial Reporting Standards (International); and

b at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has, on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

Dato' Murly Manokharan
Dato' Seri Nazir Ariff Bin Mushir Ariff
Mr Cheah Teik Seng
Dato' Alan Teo Kwong Chia
Dr Lim Su Kiat
Ir Anilarasu Amaranazan
Mr Ching Chiat Kwong
Mr Low See Ching (Liu Shijin) (Alternate Director to Mr Ching Chiat Kwong)
Dato' Choong Khuat Seng

Directors' Interests

According to the register kept by the Company for the purposes of Section 164 of the Singapore Companies Act, Chapter 50 (the "Act"), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and infant children) in shares, debentures, warrants and share options in the Company and in related corporations (other than wholly-owned subsidiaries) are as follows:

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Dato' Murly A/L Manokharan		
Aspen Vision Group Sdn. Bhd.		
• ordinary shares		
— interest held	19,427	19,427
• redeemable preference shares		
— interest held	224,947	224,947
Aspen (Group) Holdings Limited		
• ordinary shares		
— deemed interest	492,300,000	505,877,952

Name of director and corporation in which interests are held	Holdings at beginning of the year	Holdings at end of the year
Dato' Seri Nazir Ariff Bin Mushir Ariff		
Aspen Vision Group Sdn. Bhd.		
• ordinary shares		
— interest held	5,473	5,473
• redeemable preference shares		
— interest held	65,670	65,670
Mr Cheah Teik Seng		
Aspen (Group) Holdings Limited		
• ordinary shares		
— interest held	4,360,000	4,480,252
Dato' Alan Teo Kwong Chia		
Aspen (Group) Holdings Limited		
• ordinary shares		
— interest held	200,000	205,516
Dr Lim Su Kiat		
Aspen Vision Group Sdn. Bhd.		
• ordinary shares		
— interest held	2,100	2,100
• redeemable preference shares		
— interest held	51,273	51,273
Aspen (Group) Holdings Limited		
• ordinary shares		
— interest held	20,000	33,152
Ir Anilarasu Amaranazan		
Aspen (Group) Holdings Limited		
• ordinary shares		
— interest held	242,000	242,000
Mr Ching Chiat Kwong		
Aspen (Group) Holdings Limited		
• ordinary shares		
— deemed interest	98,620,600	101,340,620
Mr Low See Ching (Liu Shijin)		
Aspen (Group) Holdings Limited		
• ordinary shares		
— deemed interest	98,620,600	101,340,620

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Except as disclosed under the 'Share options' section of this statement, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Share Options and Share Plans

The AV Employee Share Option Scheme (the "Scheme") and AV Performance Share Plan ("PSP") of the Company was approved and adopted by its members at an Extraordinary General Meeting held on 19 June 2017. The Scheme is administered by the Company's Nominating committee and the Remuneration Committee, comprising 5 directors as follows:

Nominating Committee	1.	Dato' Alan Teo Kwong Chia (Chairman)
	2.	Dato' Murly Manokharan
	3.	Mr. Cheah Teik Seng
	4.	Dato' Choong Khuat Seng
Remuneration Committee	1.	Mr. Cheah Teik Seng (Chairman)
	2.	Dato' Alan Teo Kwong Chia
	3.	Dr. Lim Su Kiat

At the end of the financial year, no options have been granted. During 2019, the Company granted 84,800 ordinary shares under PSP to its employees.

Audit Committee

The members of the Audit Committee ("AC") during the year and at the date of this statement are:

Mr. Cheah Teik Seng	(Independent Non-Executive Director and Chairman)
Dato' Alan Teo Kwong Chia	(Independent Non-Executive Director)
Dr. Lim Su Kiat	(Non-Independent Non-Executive Director)

The AC performs the functions specified in Section 201B of the Act, the SGX Listing Manual and the Code of Corporate Governance.

The Audit Committee has held 3 meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee also reviewed the following:

- assistance provided by the Company's officers to the internal and external auditors;
- quarterly financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming Annual General Meeting of the Company.

In appointing our auditors for the Company, subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manual.

Auditors
The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Dato' Seri Nazir Ariff Bin Mushir Ariff
Director

Dato' Murly A/L Manokharan
Director

1 April 2021

Independent Auditors' Report

Members of the Company
Aspen (Group) Holdings Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Aspen (Group) Holdings Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and statement of financial position of the Company as at 31 December 2020, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 104 to 179.

In our opinion, the accompanying financial statements of the Group and the statement of financial position of the Company are properly drawn up in accordance with the provisions of the Companies Act, Chapter 50 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 December 2020 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *'Auditors' responsibilities for the audit of the financial statements'* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue from property development

(Refer to notes 3.16 and 22 to the financial statements)

Risk:

The Group is in the business of developing and selling residential units. As disclosed in Note 22 to the financial statements, revenue from sales of residential units over time amounted to RM203,344,000 which represented approximately 72% of the Group's revenue for the financial year ended 31 December 2020.

As disclosed in Notes 3.16 and 22 to the financial statements, the Group mainly recognises revenue over time based on the construction and other costs incurred to date as a proportion of the estimated total construction and other costs to be incurred. Management considers that this input method is an appropriate measure of the progress towards complete satisfaction of these performance obligations.

The determination of the estimated total construction and other costs to be incurred require significant management judgement and estimates, which may have an impact on the amounts of revenue and profits recognised during the year.

Our response:
We obtained an understanding of the terms and conditions of the contracts with customers and reviewed management's assessment over the transfer of control of the performance obligation.

For revenue recognised over time, we reviewed management's estimated total construction and other related costs to be incurred for each of the properties, and assessed the reasonableness of the assumptions and estimates applied by management which include development construction costs, variation works, other property expenses, and taking into consideration any significant deviation in design plans or potential delays.

Allowance for foreseeable losses for projects under development and net realisable value test for unsold completed units
(Refer to notes 3.7 and 9 to the financial statements)

Risk:
The Group has significant development properties held for sale in Penang, Malaysia. Development properties for sale are stated at the lower of their cost and net realisable values. The determination of the estimated net realisable value of these development properties is critically dependent upon the Group's expectation of future selling prices of unsold properties. There is, therefore a risk that the property development costs may exceed the net realisable values, resulting in unforeseen losses.

Our response:
We assessed the reasonableness of the Group's estimated selling prices of development properties by comparing them with recent transacted selling prices of the development properties and reviewed the estimated development costs by benchmarking with historical project costs incurred from past projects and challenging the cost assumptions included in the approved budget.

Other information
Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained all other information prior to the date of this auditors' report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and directors for the financial statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as

necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless the law or regulations preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by this subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Karen Lee Shu Pei.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
1 April 2021

Statements of financial position
As at 31 December 2020

		Group			Company	
	Note	2020 RM'000	2019 RM'000 Restated*	1 January 2019 RM'000 Restated*	2020 RM'000	2019 RM'000
ASSETS						
Non-current assets						
Property, plant and equipment	4	236,773	159,375	86,809	–	–
Land rights	5	–	–	22,875	–	–
Intangible assets	6	1,807	1,502	–	–	–
Subsidiaries	7	–	–	–	217,970	215,585
Associates	8	147,156	85,646	84,297	–	–
Development properties	9	368,657	352,054	–	–	–
Trade and other receivables	13	20,833	17,340	–	–	–
Deferred tax assets	18	10,620	7,504	8,546	–	–
Total non-current assets		785,846	623,421	202,527	217,970	215,585
Current assets						
Development properties	9	514,519	484,586	346,009	–	–
Contract costs	10	11,966	13,852	2,986	–	–
Contract assets	11	97,148	36,461	33,350	–	–
Tax recoverables		6,125	9,427	13,067	–	–
Inventories	12	17,799	17,603	17,603	–	–
Trade and other receivables	13	49,722	109,403	177,381	91,472	76,908
Cash and cash equivalents	14	86,565	67,663	163,035	29,148	6,018
Total current assets		783,844	738,995	753,431	120,620	82,926
Total assets		1,569,690	1,362,416	955,958	338,590	298,511
LIABILITIES						
Current liabilities						
Loans and borrowings	15	160,692	124,208	42,628	28,091	45,018
Trade and other payables	16	304,511	315,098	311,561	2,792	14,867
Contract liabilities	11	2,434	10,113	45,782	–	–
Current tax liabilities		2,752	455	245	–	–
Total current liabilities		470,389	449,874	400,216	30,883	59,885

The accompanying notes form an integral part of these financial statements.

		Group			Company	
				1 January		
	Note	2020	2019	2019	2020	2019
		RM'000	RM'000	RM'000	RM'000	RM'000
			Restated*	Restated*		
Non-current liabilities						
Loans and borrowings	15	335,690	323,142	116,150	–	–
Trade and other payables	16	124,771	108,383	–	–	–
Deferred tax liabilities	18	10,781	9,733	10,506	–	–
Total non-current liabilities		471,242	441,258	126,656	–	–
Total liabilities		941,631	891,132	526,872	30,883	59,885
EQUITY						
Share capital	19	316,786	237,241	237,241	316,786	237,241
Reserves	20	249,497	178,332	168,153	(9,079)	1,385
Equity attributable to owners of the Company		566,283	415,573	405,394	307,707	238,626
Non-controlling interests	21	61,776	55,711	23,692	–	–
Total equity		628,059	471,284	429,086	307,707	238,626
Total equity and liabilities		1,569,690	1,362,416	955,958	338,590	298,511

* See note 2.5. The comparative information is restated on account of a change in accounting policy for investment property.

The accompanying notes form an integral part of these financial statements.

Consolidated statement of profit or loss and other comprehensive income Year ended 31 December 2020

	Note	Group 2020 RM'000	Group 2019 RM'000 Restated*
Revenue	22	282,832	287,936
Cost of sales	23	(199,430)	(189,799)
Gross profit		83,402	98,137
Other income		3,355	1,798
Administrative expenses		(49,647)	(39,953)
Selling and distribution expenses		(6,164)	(12,779)
Other operating expenses		(3,891)	(4,023)
Results from operating activities		27,055	43,180
Finance income		1,825	3,052
Finance costs		(3,102)	(6,878)
Net finance costs	24	(1,277)	(3,826)
Share of results of equity-accounted investees, net of tax		61,510	1,349
Profit before tax	25	87,288	40,703
Tax expense	26	(11,492)	(17,006)
Profit for the year		75,796	23,697
Other comprehensive income, net of tax			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences for foreign operations		(19)	(11)
Other comprehensive income, net of tax		(19)	(11)
Total comprehensive income for the year		75,777	23,686
Profit for the year attributable to:			
Owners of the Company		72,731	18,678
Non-controlling interests		3,065	5,019
		75,796	23,697
Total comprehensive income for the year attributable to:			
Owners of the Company		72,712	18,667
Non-controlling interests		3,065	5,019
		75,777	23,686
Basic earnings per share (sen)	27	7.30	1.94
Diluted earnings per share (sen)	27	7.30	1.94

* See note 2.5. The comparative information is restated on account of a change in accounting policy for investment property.

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity
Year ended 31 December 2020

	Note	Share capital RM'000	Translation reserve RM'000	Reserve for own shares RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
		Attributable to owners of the Company							
Group									
At 1 January 2020 (restated)		237,241	(11)	(21)	37,442	140,922	415,573	55,711	471,284
Total comprehensive income for the year									
Profit for the year		–	–	–	–	72,731	72,731	3,065	75,796
Other comprehensive income, net of tax		–	(19)	–	–	–	(19)	–	(19)
Total comprehensive income for the year		–	(19)	–	–	72,731	72,712	3,065	75,777
Transaction with owners, recognised directly in equity									
Issuance of shares through private placement	19	72,642	–	–	–	–	72,642	–	72,642
Issuance of scrip dividend	19	7,423	–	–	–	(1,547)	5,876	–	5,876
Transactions costs relating to scrip dividend and issuance of shares	19	(520)	–	–	–	–	(520)	–	(520)
		79,545	–	–	–	(1,547)	77,998	–	77,998
Changes in ownership interest in subsidiaries									
Acquisition of subsidiary with non-controlling interests		–	–	–	–	–	–	3,000	3,000
Total transactions with owners		79,545	–	–	–	(1,547)	77,998	3,000	80,998
At 31 December 2020		316,786	(30)	(21)	37,442	212,106	566,283	61,776	628,059

The accompanying notes form an integral part of these financial statements.

Consolidated statement of changes in equity (continued)
Year ended 31 December 2020

		Attributable to owners of the Company							
	Note	Share capital RM'000	Translation reserve RM'000	Reserve for own shares RM'000	Merger reserve RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
Group									
At 1 January 2019, as previously stated		237,241	–	–	37,442	116,383	391,066	23,692	414,758
Impact of change in accounting policy	2.5	–	–	–	–	14,328	14,328	–	14,328
At 1 January 2019, as restated		237,241	–	–	37,442	130,711	405,394	23,692	429,086
Total comprehensive income for the year (restated)									
Profit for the year		–	–	–	–	18,678	18,678	5,019	23,697
Other comprehensive income, net of tax		–	(11)	–	–	–	(11)	–	(11)
Total comprehensive income for the year (restated)		–	(11)	–	–	18,678	18,667	5,019	23,686
Transaction with owners, recognised directly in equity									
Own shares acquired	20	–	–	(60)	–	–	(60)	–	(60)
Share-based payment transactions	17	–	–	39	–	–	39	–	39
Dividends declared	19	–	–	–	–	(8,467)	(8,467)	–	(8,467)
		–	–	(21)	–	(8,467)	(8,488)	–	(8,488)
Changes in ownership interest in subsidiary									
Acquisition of subsidiary with non-controlling interests		–	–	–	–	–	–	27,000	27,000
Total transactions with owners		–	–	(21)	–	(8,467)	(8,488)	27,000	18,512
At 31 December 2019 (restated)		237,241	(11)	(21)	37,442	140,922	415,573	55,711	471,284

* See note 2.5. The comparative information is restated on account of a change in accounting policy for investment property.

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows
Year ended 31 December 2020

	Note	Group 2020 RM'000	Group 2019 RM'000 Restated*
Cash flows from operating activities			
Profit before tax		87,288	40,703
Adjustments for:			
Depreciation of property, plant and equipment		13,262	9,066
Amortisation of intangible assets		218	7
Finance costs		31,241	23,882
Finance income		(1,825)	(3,052)
Property, plant and equipment written off		33	653
Impairment loss on property, plant and equipment		3,237	–
Loss on disposal of property, plant and equipment		28	–
Loss on equity-settled share-based payment transactions		–	7
Equity-settled share-based payment transactions		–	32
Impairment loss on an associate		–	2,500
Share of results of equity-accounted investees		(61,510)	(1,349)
Unrealised loss/(gain) on foreign exchange		4	(720)
		71,976	71,729
Changes in:			
- development properties		(46,732)	(414,570)
- contract costs		1,886	(10,866)
- contract assets		(60,687)	(3,111)
- trade and other receivables		58,768	14,792
- trade and other payables		(3,298)	103,142
- contract liabilities		(7,679)	(35,669)
Cash generated from/(used in) operations		14,234	(274,553)
Tax paid		(7,961)	(12,887)
Net cash generated from/(used in) operating activities		6,273	(287,440)
Cash flows from investing activities			
Acquisition of property, plant and equipment		(36,219)	(70,551)
Acquisition of intangible assets		(525)	(1,509)
Proceeds from sale of property, plant and equipment		3	–
Interest received		1,825	3,052
Acquisition of associates		(2,580)	(19,840)
Net cash used in investing activities		(37,496)	(88,848)

The accompanying notes form an integral part of these financial statements.

Consolidated statement of cash flows (continued)
Year ended 31 December 2020

	Note	Group 2020 RM'000	Group 2019 RM'000 Restated*
Cash flows from financing activities			
Proceeds from issuance of shares through private placement		72,642	–
Payment of transactions cost relating to scrip dividend and issuance of shares		(520)	–
Repurchase of own shares		–	(60)
Changes in fixed deposit pledged		4,346	1,680
Proceeds from loans and borrowings		54,908	295,454
Repayment of loans and borrowings		(59,244)	(42,346)
Payment of lease liabilities		(7,307)	(1,535)
Capital injection from non-controlling interest		3,000	27,000
Issuance of redeemable preference shares to non-controlling interest		3,556	25,184
Advances from non-controlling interests		13,160	–
Dividend paid		(2,591)	–
Interest paid		(27,508)	(22,781)
Net cash generated from financing activities		54,442	282,596
Net increase/(decrease) in cash and cash equivalents		23,219	(93,692)
Effect of exchange rate changes on cash and cash equivalents		29	–
Cash and cash equivalents at 1 January		60,540	154,232
Cash and cash equivalents at 31 December	14	83,788	60,540

* See note 2.5. The comparative information is restated on account of a change in accounting policy for investment property.

Significant non-cash transactions

Acquisition of property, plant and equipment

During the financial year ended 31 December 2020, the Group acquired property, plant and equipment with an aggregate cost of RM94,005,000 (2019: RM75,324,000), of which:
(a) RM57,115,000 (2019: RM4,773,000) relates to right-of-use assets; and
(b) RM671,000 (2019: nil) relates to provision for reinstatement costs.

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements were authorised for issue by the Board of Directors on 1 April 2021.

1 Domicile and activities

Aspen (Group) Holdings Limited (the "Company") is incorporated in the Republic of Singapore. The address of the Company's registered office is 80 Robinson Road #02-00 Singapore 068898.

The financial statements of the Group as at and for the year ended 31 December 2020 comprise the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities") and the Group's interest in equity-accounted investees.

The Company was listed on the Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST") on 28 July 2017. With effect from 28 January 2021, the Company was transferred to the Mainboard of the SGX-ST.

The principal activity of the Company is that of investment holding. The principal activities of the subsidiaries are set out in note 7 to the financial statements. The immediate and ultimate holding company is Aspen Vision Group Sdn. Bhd., a company incorporated in Malaysia.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)").

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except as otherwise described in the significant accounting policies below.

2.3 Functional and presentation currency

These financial statements are presented in Malaysian ringgit ("RM"), which is the Company's functional currency. All financial information presented in RM has been rounded to the nearest thousand, unless otherwise stated.

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with SFRS(I)s requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets within the next financial year are included in the following notes :

Note 3.1(i)	–	Acquisition of equity interest: business combination and fair value of assets acquired and liabilities assumed;
Note 4	–	Measurement of recoverable amount of property, plant and equipment;
Note 8	–	Measurement of recoverable amounts of associates;
Note 8	–	Fair value of investment properties held by associates;
Note 9	–	Assessment of risk of provision for foreseeable losses on property under development;
Note 9	–	Assessment of net realisable value of property under development and completed units; and
Note 22	–	Revenue recognition - Measurement of stage of property development.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for all significant fair value measurement, including Level 3 fair values, where applicable and reports directly to the Chief Financial Officer.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as property valuations or broker quotes or pricing services, is used to measure fair values, then the finance team assesses and documents the evidence obtained from third parties to support the conclusion that such valuations meet the requirements of SFRS(I), including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Group's Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1:	quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2:	inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
Level 3:	inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement (with Level 3 being the lowest).

The Group recognises transfers between levels of the fair value hierarchy as of the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Note 8 – fair value of investment properties held by associates; and
- Note 17 – share-based payment arrangements; and
- Note 30 – financial instruments.

2.5 Changes in significant accounting policy

(i) Accounting for investment property

On 1 January 2020, the Group changed its accounting policy with respect to the subsequent measurement of investment property from cost model to the fair value model, with changes in fair value recognised in profit or loss. The Group believes that fair value model provides more relevant information about the financial performance of these assets, assists users to better understand the risks associated with these assets and is more aligned with industry practice of stating such assets using the fair value model. This change in accounting policy was applied retrospectively.

Summary of quantitative impact

The following tables summarise the material impacts on the Group's consolidated statements of financial position, profit or loss and other comprehensive income and the Group's basic or diluted earnings per share. There is no impact on the total operating, investing or financing cash flows for the years ended 31 December 2020 and 31 December 2019.

Consolidated statement of financial position

1 January 2019	**Impact of change in accounting policy**		
	As previously reported RM'000	**Adjustments RM'000**	**As restated RM'000**
Investment in associates	69,969	14,328	84,297
Others	871,661	–	871,661
Total assets	941,630	14,328	955,958
Others	(526,872)	–	(526,872)
Total liabilities	(526,872)	–	(526,872)
Reserves	(153,825)	(14,328)	(168,153)
Others	(260,933)	–	(260,933)
Total equity	(414,758)	(14,328)	(429,086)

Consolidated statement of financial position

31 December 2019	**Impact of change in accounting policy**		
	As previously reported RM'000	**Adjustments RM'000**	**As restated RM'000**
Investment in associates	69,387	16,259	85,646
Others	1,276,770	–	1,276,770
Total assets	1,346,157	16,259	1,362,416
Others	(891,132)	–	(891,132)
Total liabilities	(891,132)	–	(891,132)
Reserves	(162,073)	(16,259)	(178,332)
Others	(292,952)	–	(292,952)
Total equity	(455,025)	(16,259)	(471,284)

Consolidated statement of profit or loss and other comprehensive income

Year ended 31 December 2019

	Impact of change in accounting policy		
	As previously reported RM'000	**Adjustments RM'000**	**As restated RM'000**
Share of results of equity-accounted investees, net of tax	(582)	1,931	1,349
Others	22,348	–	22,348
Profit for the year	21,766	1,931	23,697
Profit attributable to:			
- Owners of the Company	16,747	1,931	18,678
- Non-controlling interests	5,019	–	5,019
Profit for the year	21,766	1,931	23,697
Total comprehensive income for the year	21,755	1,931	23,686
Total comprehensive income attributable to:			
- Owners of the Company	16,736	1,931	18,667
- Non-controlling interests	5,019	–	5,019
Total comprehensive income for the year	21,755	1,931	23,686
Basic earnings per share (sen)	1.74	0.20	1.94
Diluted earnings per share (sen)	1.74	0.20	1.94

Year ended 31 December 2020

	Impact of change in accounting policy RM'000
Increase in share of results of equity-accounted investees, net of tax	63,253
Increase in profit for the year	63,253
Increase in profit attributable to owners of the Company	63,253
Increase in total comprehensive income attributable to owners of the Company	63,253
Increase in basic earnings per share (sen)	6.35
Increase in diluted earnings per share (sen)	6.35

(ii) New standards and amendments

The Group has applied the following amendments to SFRS(I) for the first time for the annual period beginning on 1 January 2020:

• Amendments to References to Conceptual Framework in SFRS(I) Standards;
• *Definition of a Business* (Amendments to SFRS(I) 3);
• *Definition of Material* (Amendments to SFRS(I) 1-1 and SFRS(I) 1- 8); and

- *Interest Rate Benchmark Reform* (Amendments to SFRS(I) 9, SFRS(I) 1-39 and SFRS(I) 7).

The Group applied the amendments relating to definition of a business to business combinations whose acquisition dates are on or after 1 January 2020 in assessing whether it had acquired a business or a group of assets. The details of accounting policies are set out in note 3.1(i).

The Group has early adopted COVID-19-Related Rent Concessions (Amendment to FRS 116) issued on 28 May 2020. The amendment introduces an optional practical expedient for leases in which the Group is a lessee – i.e. for leases to which the Group applies the practical expedient, the Group is not required to assess whether eligible rent concessions that are a direct consequence of the COVID-19 coronavirus pandemic are lease modifications. The Group has applied the amendment retrospectively. The amendment has no impact on retained earnings at 1 January 2020.

The application of these amendments to standards does not have a material effect on the financial statements.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as explained in note 2.5, which addresses changes in accounting policies.

3.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group (see note ii). In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The Group measures goodwill at the date of acquisition as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests ("NCI") in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree,

over the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed. Any goodwill that arises is tested annually for impairment.

When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is recognised at fair value at the acquisition date and included in the consideration transferred. If the contingent consideration that meets the definition of a financial instrument is classified as equity, it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes to the fair value of the contingent consideration are recognised in profit or loss.

NCI that are present ownership interests and entitle their holders to a proportionate share of the acquiree's net assets in the event of liquidation are measured either at fair value or at the NCI's proportionate share of the recognised amounts of the acquiree's identifiable net assets, at the acquisition date. The measurement basis taken is elected on a transaction-by-transaction basis. All other NCI are measured at acquisition-date fair value, unless another measurement basis is required by SFRS(I)s.

Costs related to the acquisition, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by the Group. Losses applicable to the NCI in a subsidiary are allocated to the NCI even if doing so causes the NCI to have a deficit balance.

The financial statements of the Group have been prepared to reflect the operations of the Company and the subsidiaries as a single economic enterprise and consist of those companies under common control since the date of incorporation.

(iii) Acquisitions from entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are accounted for as if the acquisition had occurred at the beginning of the earliest comparative year presented or, if later, at the date that common control was established; for this purpose comparatives are restated. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the consolidated financial statements of the Group's controlling shareholder. The components of equity of the acquired entities are added to the same components within Group equity and any gain/loss arising is recognised directly in equity.

(iv) Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(v) Investments in associates (equity-accounted investees)

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies of these entities. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

Investments in associates are accounted for using the equity method. It is recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the financial statements include the Group's share of the profit or loss and other comprehensive income ("OCI") of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of the investment, together with any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation to fund the investee's operations or has made payments on behalf of the investee.

(vi) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(vii) Subsidiaries and associates in the separate financial statements

Investments in subsidiaries and associates are stated in the Company's statement of financial position at cost less accumulated impairment losses.

3.2 Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rate at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortised cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated to the functional currency at the exchange rate at the date that their fair value was determined. Non-monetary items in a foreign currency that are measured in terms of historical cost are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on translation are recognised in profit or loss.

(ii) Foreign operation

The assets and liabilities of foreign operations are translated to Malaysian ringgit at exchange rates at the reporting date. The income and expenses of foreign operations are translated to Malaysian ringgit at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in other comprehensive income ('OCI').

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign exchange gains and losses arising from such as monetary item that are considered to form part of a net investment in a foreign operation are recognised in OCI, and are presented in the translation reserve in equity.

3.3 Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes:

- the cost material and direct labour:
- any other costs directly attributable to bring the assets to a working condition for their intended use;
- when the Group has an obligation to remove the assets or restore the site, an estimate of the costs of dismantling and removing the items and restoring the site on which they are located; and
- capitalised borrowing costs.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(ii) Subsequent costs

The cost of replacing a component of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the component will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced component is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately.

Depreciation is recognised as an expense in profit or loss on a straight–line basis over the estimated useful lives of each component of an item of property, plant and equipment, unless it is included in the carrying amount of another asset.

Depreciation is recognised from the date that the property, plant and equipment are installed and are ready for use, or in respect of internally constructed assets, from the date that the asset is completed and ready for use. Freehold land and construction-in-progress is not depreciated.

The estimated useful lives for the current and comparative years are as follows:

Leasehold land	over the lease term of 7 to 60 years
Buildings	5 to 50 years
Building improvement	5 to 15 years
Sales gallery	9 years
Office and computer equipment, furniture and fittings	3 to 10 years
Tools and equipment	3 to 10 years
Motor vehicles	3 to 5 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Reclassification to development properties

When the use of a property changes from owner-occupation to development with a view to sell, the property is transferred from property, plant and equipment to development properties (note 3.7).

3.4 Investment properties

Investment properties is properties held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Investment properties are measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss.

Cost includes expenditure that is directly attributable to the acquisition of the investment properties. The cost of self-constructed investment properties includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment properties to a working condition for their intended use and capitalised borrowing costs.

Any gain or loss on disposal of an investment properties (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

When the use of a property changes such that it is reclassified as property, plant and equipment, its fair value at the date of reclassification becomes its cost for subsequent accounting.

Property that is being constructed for future use as investment property is accounted for at fair value.

3.5 Land rights

The land rights that are acquired by the Group and have finite lives are measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is calculated based on the cost of the asset, less its residual value. The land rights are amortised when the Group exercises their right to acquire the land parcels.

Amortisation of land rights is included in the carrying amount of development properties and recognised in ‘cost of sales’ on the same measure as contracts costs (note 3.8).

3.6 Intangible assets

(i) Franchise license

Franchise license that is acquired by the Group and has finite useful life is measured at cost less accumulated amortisation and accumulated impairment losses.

(ii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(iii) Amortisation

Amortisation is calculated based on the cost of the asset, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful lives for the current year are as follows:

Franchise license	6 to 10 years

Amortisation methods, useful lives and residual values are reviewed at the end of each reporting period and adjusted if appropriate.

3.7 Development properties

Development properties are measured at the lower of cost and net realisable value. Cost includes acquisition costs, development expenditure and other costs directly attributable to the development activities.

Non-current land held for property development consist of land or such portions thereof on which no development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The write-downs to net realisable value are presented as allowance for foreseeable losses.

3.8 Contract costs

Incremental costs of obtaining a contract for the sale of a development property are capitalised as contract costs only if (a) these costs relate directly to a contract or an anticipated contract which the Group can specifically identify; (b) these costs generate or enhance resources of the Group that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (c) these costs are expected to be recovered. Otherwise, such costs are recognised as an expense immediately.

Capitalised contract costs are subsequently amortised on a systematic basis as the Group recognises the related revenue on the contract. An impairment loss is recognised in profit or loss to the extent that the carrying amount of capitalised contract costs exceeds the expected remaining consideration less any directly related costs not yet recognised as expenses.

3.9 Contract assets and liabilities

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date on construction of development properties. Contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer.

Contract liabilities primarily relate to:

- advance consideration received from customers; and
- progress billings issued in excess of the Group's rights to the consideration.

3.10 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines the lessees' incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statements of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3.11 Inventories

Inventories mainly represent tradable quotas approved by the local council in Penang, Malaysia, arising from the Group's development of low-medium cost and affordable houses. The cost of the quotas on initial recognition is determined at fair value based on directors' estimation using the latest available market information. Subsequently, the quotas are stated at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less estimated cost to completion and selling expenses.

3.12 Financial instruments

(i) Recognition and initial measurement

Non-derivative financial assets and financial liabilities

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss ("FVTPL"), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) Classification and subsequent measurement

Non-derivative financial assets

On initial recognition, a financial asset is classified as measured at amortised cost.

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets: Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Non-derivative financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Non-derivative financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Non-derivative financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost. These financial liabilities are initially measured at fair value less directly attributable transaction costs. They are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

(iii) Derecognition

Financial assets

The Group derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire, or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred; or
  - the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Transferred assets are not derecognised when the Group enters into transactions whereby it transfers assets recognised in its statements of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statements of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

(v) Cash and cash equivalents

Cash and cash equivalents comprise highly liquid short term investment fund, cash balances and short-term deposits with maturities of three months or less from the date of acquisition that are subject to an insignificant risk of changes in their fair value, and are used by the Group in the management of its short-term commitments. For the purpose of the consolidated statement of cash flows, pledged deposits are excluded in cash and cash equivalents.

(vi) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with SFRS(I) 1-12.

Preference share capital

The Group's redeemable preference shares are classified as financial liabilities, because they bear non-discretionary dividends and are redeemable in cash by the holders. Non-discretionary dividends thereon are recognised as interest expense in profit or loss as accrued.

Repurchase, disposal and reissue of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, which includes directly attributable costs, is recognised as a deduction from equity. Repurchased shares are classified as treasury shares and are presented in the reserve for own share account. When treasury shares are sold or reissued subsequently, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is presented in non-distributable capital reserve.

(vii) Intra-group financial guarantees in separate financial statements

Financial guarantees are financial instruments issued by the Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs because a specified debtor fails to meet payment when due in accordance with the original or modified terms of a debt instrument.

Financial guarantees issued are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with SFRS(I) 9 and the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of SFRS(I) 15.

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Company expects to recover.

3.13 Impairment

(i) Non-derivative financial assets and contract assets

The Group recognises loss allowances for expected credit losses ("ECLs") on:

- Financial assets measured at amortised cost;
- Contract assets (as defined in SFRS(I) 15); and
- Intra-group financial guarantee contracts (FGC).

Loss allowances of the Group are measured on either of the following bases:

- 12-month ECLs: these are ECLs that result from default events that are possible within the 12 months after the reporting date (or for a shorter period if the expected life of the instrument is less than 12 months); or
- Lifetime ECLs: these are ECLs that result from all possible default events over the expected life of a financial instrument or contract asset.

Simplified approach

The Group applies the simplified approach to provide for ECLs for all trade receivables and contract assets. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs.

General approach

The Group applies the general approach to provide for ECLs on all other financial instruments and FGCs. Under the general approach, the loss allowance is measured at an amount equal to 12-month ECLs at initial recognition.

At each reporting date, the Group assesses whether the credit risk of a financial instrument has increased significantly since initial recognition. When credit risk has increased significantly since initial recognition, loss allowance is measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

If credit risk has not increased significantly since initial recognition or if the credit quality of the financial instruments improve such that there is no longer a significant increase in credit risk since initial recognition, loss allowance is measured at an amount equal to 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Group considers a contract asset to be in default when the customer is unlikely to pay its contractual obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held).

The Group considers a FGC to be in default when the debtor of the loan is unlikely to pay its contractual obligations to the creditor and the Group in full, without recourse by the Group to actions such as realising security (if any is held). The Group only applies a discount rate if and to the extent that, the risks are not taken into account by adjusting the expected cash shortfalls.

The maximum period considered when estimating ECLs is the maximum contractual period over which the group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of ECLs in the statements of financial position

Loss allowances for financial assets measured at amortised cost and contract assets are deducted from the gross carrying amount of the assets.

Loss allowances for FGC are recognised as a financial liability to the extent that they exceed the initial carrying amount of the FGC less the cumulated income recognised.

Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Non-financial assets

The carrying amount of the Group's non-financial assets, other than inventories, development properties, contract assets, and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating units ("CGU") is the greater of its value in use and its fair value less costs of disposal. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs.

The Group's corporate assets do not generate separate cash inflows and are utilised by more than one CGU. Corporate assets are allocated to CGUs on a reasonable and consistent basis and tested for impairment as part of the testing of the CGU to which the corporate asset is allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro rata basis.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(iii) Associate

An impairment loss in respect of an associate is measured by comparing the recoverable amount of the investment with its carrying amount in accordance with the requirements for non-financial assets. An impairment loss is recognised in profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount and only to the extent that the recoverable amount increases.

3.14 Employee benefits

(i) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which related services are rendered by employees.

(ii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(iii) Share-based payment transactions

The grant date fair value of equity-settled share-based payment awards granted to employee is recognised as an employee benefit expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the service and non-market performance conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that meet the service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share- based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights, which are settled in cash, is recognised as an expense with a corresponding increase in liabilities, over the period that the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes in the fair value of the liability are recognised as employee benefit expense in profit or loss.

3.15 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(i) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be established reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events, are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

(ii) Onerous contracts

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

(iii) Reinstatement costs

In accordance with tenancy agreements signed, a provision for reinstatement costs is recognised when the Group has obligation to restore the premises back to its original condition(s).

3.16 Revenue recognition

(i) Sale of development properties

The Group develops and sells residential projects to customers through fixed-price contracts. Revenue is recognised when the control over a development property has been transferred to the customer. At contract inception, the Group assesses whether the Group transfers control of the residential project over time or at a point in time by determining if (a) its performance does not create an asset with an alternative use to the Group; and (b) the Group has an enforceable right to payment for performance completed to date.

The residential projects have no alternative use for the Group due to contractual restriction, and the Group has enforceable rights to payment arising from the contractual terms. For these contracts, revenue is recognised over time by reference to the Group's progress towards completing the construction of the residential project. The measure of progress is determined based on the proportion of contract costs incurred to date to the estimated total contract costs. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

In respect of contracts where the Group does not have an enforceable right to payment for performance completed to date, revenue is recognised only when the completed property is delivered to the customer and the customer has accepted it in accordance with the sales contract. Under certain payment schemes, the time when payments are made by the buyer and the transfer of control of the property to the buyer do not coincide and where the difference between the timing of receipt of the payments and the satisfaction of a performance obligation is 12 months or more, the Group adjusts the transaction price with its customer and recognises a financing component. In adjusting for the financing component, the Group uses a discount rate that would reflect that of a separate financing transaction between the Group and its customer at contract inception. A finance income or finance expense will be recognised depending on the arrangement.

The Group has elected to apply the practical expedient not to adjust the transaction price for the existence of significant financing component when the period between the transfer of control of goods or services to a customer and the payment date is 12 months or less.

Revenue is measured at the transaction price agreed under the contract entered into with customers. Estimates of revenues, costs or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in the profit or loss in the period in which the circumstances that give rise to the revision become known by management.

The customer is invoiced based on a payment schedule which is typically triggered upon achievement of specified construction milestones. If the value of the goods transferred by the Group exceeds the payments, a contract asset is recognised. If the payments exceed the value of the goods transferred, a contract liability is recognised. The accounting policy for contract assets and contract liabilities is set out in note 3.9.

The Group grants customers the right to return for certain sales contract during a grace period. The Group recognises revenue to the extent it is highly probable that there will be no returns from customers. Refund liabilities is classified in trade and other payables and asset for recovery is classified in development properties.

(ii) Sale of food and beverages

Revenue from sale of food and beverage in the ordinary course of business is recognised when the Group satisfies a performance obligation (PO) by transferring control of a promised good or service to the customer. The amount of revenue recognised is the amount of the transaction price allocated to the satisfied PO.

The transaction price is allocated to each PO in the contract on the basis of the relative stand- alone selling price of the promised goods or services. A discount or variable consideration is allocated to one or more, but not all, of the performance obligations if it relates to those POs.

Transaction price is the amount of consideration in the contract to which the Group expects to be entitled in exchange for transferring the promised goods or services.

Revenue is recognised at a point in time following the timing of satisfaction of the PO.

3.17 Government grants

The government grants are recognised initially as deferred income at fair value when there is reasonable assurance that they will be received and the Group will comply with the conditions associated with the grant.

(i) Quotas on low-medium cost and affordable housing

Grants that compensate the Group for expenses incurred are recognised in profit or loss as reduction to ‘cost of sales’ based on cost incurred in fulfilling the condition of the grants on a systematic basis in the same periods in which the expenses are recognised.

(ii) Job support scheme

Grants that compensate the Group for expenses incurred are recognised in profit or loss as other income based on cost incurred in fulfilling the condition of the grants on a systematic basis in the same periods in which the expenses are recognised.

3.18 Finance income and finance costs

The Group’s finance income and finance costs include:

- interest income;
- interest expense;
- dividend income;
- dividend expense on redeemable preference shares issued classified as financial liabilities; and
- the foreign currency gain or loss on financial assets and financial liabilities.

Interest income or expense is recognised using the effective interest method. Dividend income is recognised in profit or loss on the date on which the Group’s right to receive payment is established.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

3.19 Earnings per share

The Group presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, and the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

3.20 Tax

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.

Current tax and liabilities are offset only if certain criteria are met.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

The measurement of deferred taxes reflects the tax consequences that would follow the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

3.21 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's CEO (the chief operating decision maker) to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets.

3.22 New standards and interpretations not yet adopted

A number of new standards and interpretations and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Group has not early adopted the new or amended standards and interpretations in preparing these financial statements.

The following new SFRS(I)s and amendments to SFRS(I)s are not expected to have a significant impact on the Group's consolidated financial statements and the Company's statement of financial position.

- SFRS(I) 17 *Insurance Contracts;*
- *Classification of Liabilities as Current or Non-current (Amendments to SFRS(I) 1-1);*
- *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to SFRS(I) 10 and SFRS(I) 1-28);*
- *Reference to the Conceptual Framework (Amendments to SFRS(I) 3);*
- *Property, Plant and Equipment – Proceeds before Intended Use (Amendments to SFRS(I) 16);*
- *Onerous Contracts – Costs of Fulfilling a Contract (Amendments to SFRS(I) 1-37); and*
- *Annual Improvements to SFRS(I)s 2018 – 2020.*

4 Property, plant and equipment

	Freehold land RM'000	Leasehold land RM'000	Buildings RM'000	Building Improve-ment RM'000	Sales gallery RM'000	Office and computer equipment, furniture and fittings RM'000	Tools and equipment RM'000	Motor vehicles RM'000	Construct-ion-in-progress RM'000	Total RM'000
Group										
Cost										
At 1 January 2019	–	–	22,578	13,873	6,914	10,291	1,917	7,177	39,750	102,500
Recognition of right-of-use asset on initial application of SFRS(I) 16	–	732	7,019	–	–	–	–	1,783	–	9,534
Adjusted balance at 1 January 2019	–	732	29,597	13,873	6,914	10,291	1,917	8,960	39,750	112,034
Additions	–	–	14,815	922	–	941	1,131	70	57,445	75,324
Write-off	–	–	–	–	–	(28)	–	–	(646)	(674)
Disposals	–	–	–	–	–	(13)	–	–	–	(13)
Adjustment	–	–	(801)	–	–	–	–	–	–	(801)
Reclassification	–	–	69,427	72	–	12,245	–	–	(81,744)	–
At 31 December 2019	–	732	113,038	14,867	6,914	23,436	3,048	9,030	14,805	185,870
At 1 January 2020	–	732	113,038	14,867	6,914	23,436	3,048	9,030	14,805	185,870
Additions	–	47,438	10,348	2,984	–	774	361	3	32,097	94,005
Write-off	–	–	–	(33)	–	(19)	–	–	–	(52)
Disposals	–	–	–	–	–	(57)	–	–	–	(57)
Reclassification	28,962	–	(21,867)	277	–	850	13	–	(8,235)	–
Effect of movement in exchange rate	–	–	(39)	(10)	–	–	(1)	–	–	(50)
At 31 December 2020	28,962	48,170	101,480	18,085	6,914	24,984	3,421	9,033	38,667	279,716

	Freehold land	Leasehold land	Buildings	Building Improve-ment	Sales gallery	Office and computer equipment, furniture and fittings	Tools and equipment	Motor vehicles	Construct-ion-in-progress	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Group										
Accumulated depreciation and impairment losses										
At 1 January 2019	–	–	636	2,294	3,947	4,671	869	3,274	–	15,691
Recognition of right-of-use asset on initial application of SFRS(I) 16	–	169	1,120	–	–	–	–	483	–	1,772
Adjusted balance at 1 January 2019	–	169	1,756	2,294	3,947	4,671	869	3,757	–	17,463
Depreciation charge for the year	–	81	1,702	1,415	1,691	2,163	313	1,701	–	9,066
Write-off	–	–	–	–	–	(21)	–	–	–	(21)
Disposals	–	–	–	–	–	(13)	–	–	–	(13)
At 31 December 2019	–	250	3,458	3,709	5,638	6,800	1,182	5,458	–	26,495
Accumulated depreciation and impairment losses										
At 1 January 2020	–	250	3,458	3,709	5,638	6,800	1,182	5,458	–	26,495
Depreciation charge for the year	–	339	4,575	1,666	255	4,383	512	1,532	–	13,262
Write-off	–	–	–	(7)	–	(12)	–	–	–	(19)
Disposals	–	–	–	–	–	(26)	–	–	–	(26)
Impairment losses	–	–	3,237	–	–	–	–	–	–	3,237
Effect of movement in exchange rate	–	–	(5)	(1)	–	–	–	–	–	(6)
At 31 December 2020	–	589	11,265	5,367	5,893	11,145	1,694	6,990	–	42,943
Carrying amounts										
At 1 January 2019	–	–	21,942	11,579	2,967	5,620	1,048	3,903	39,750	86,809
At 31 December 2019	–	482	109,580	11,158	1,276	16,636	1,866	3,572	14,805	159,375
At 31 December 2020	28,962	47,581	90,215	12,718	1,021	13,839	1,727	2,043	38,667	236,773

Property, plant and equipment includes right-of-use assets of RM67,046,000 (2019: RM11,635,000) applicable to leasehold land, buildings and motor vehicles (see note 28).

Impairment losses

During the financial year ended 31 December 2020, due to the movement control order ("MCO") imposed in Malaysia and decline in revenue generated, the Group tested the impairment for Vervea Trade and Exhibition Center and carparks ("VTEC") and recognised an impairment loss of RM3,237,000 with respect to buildings based on a recent valuation carried out by the independent property valuer.

The impairment loss on property, plant and equipment was included in "other operating expenses".

Security

At 31 December 2020, freehold land, construction-in-progress, buildings, sales gallery of the Group with carrying amounts of RM26,218,000, RM4,151,000, RM65,705,000, nil (2019: nil, RM13,511,000, RM82,684,000, RM1,276,000) respectively, were pledged as security to secure bank loans (note 15).

Change in estimates

During 2020, the Group conducted an operational efficiency review on its property, plant and equipment, which resulted in changes in the expected usage of the sales gallery and certain equipment. As a result, the expected useful life of the sales gallery was extended, while the expected useful life of the equipment together with the residual value had reduced. The effects of these changes on actual and expected depreciation expense, included in 'administrative expenses' were as follows:

	2020 RM'000	2021 RM'000	2022 RM'000	2023 RM'000	2024 RM'000	Later RM'000
(Decrease)/ increase in depreciation expense	(450)	260	269	216	275	(570)

5 Land rights

	Group	
	2020 RM'000	2019 RM'000
At 1 January	–	22,875
Amortisation charge for the year	–	(22,875)
At 31 December	–	–

In 2015, the Group acquired land rights as part of the acquisition of 49% remaining interest in Aspen Vision Land Sdn. Bhd. ("AV Land") from a joint venture partner. AV Land, through its subsidiary and associate holds the right to acquire 221 acres of freehold land situated in Bandar Cassia, Batu Kawan, Penang, Malaysia (the "Batu Kawan Land") from the State Government of Penang for a pre-determined consideration over a 5-year period.

Amortisation

The amortisation of land rights is allocated to the development properties as part of the land cost and is included in 'cost of sales' as development property when sold. During 2019, the land rights have been fully acquired and reclassified to development properties.

6 Intangible assets

	Group Franchise license RM'000
Cost	
At 1 January 2019	–
Additions	1,509
At 31 December 2019	1,509
At 1 January 2020	1,509
Additions	525
Effect of movement in exchange rate	(3)
At 31 December 2020	2,031
Accumulated Amortisation	
At 1 January 2019	–
Amortisation charge for the year	7
At 31 December 2019	7
At 1 January 2020	7
Amortisation charge for the year	218
Effect of movement in exchange rate	(1)
At 31 December 2020	224
Carrying amounts	
At 1 January 2019	–
At 31 December 2019	1,502
At 31 December 2020	1,807

Amortisation

The amortisation of franchise license is included in 'administrative expenses'.

7 Subsidiaries

	Company	
	2020 RM'000	2019 RM'000
Equity investments at cost	155,870	153,485
Redeemable preference shares	62,100	62,100
	217,970	215,585

In 2018, the Company subscribed 621,000 redeemable preference shares ("RPS") issued by Aspen Vision All Sdn. Bhd. at RM100 per share. The RPS shall be redeemed out of profit which would otherwise be available for dividend at an issue price of RM100. The RPS to be redeemed on such occasion shall be determined by the Board of Directors of subsidiary. The Company is entitled to a non-cumulative preferential dividend at a rate to be determined by Aspen Vision All Sdn. Bhd. on the paid-up capital and in priority to the holders of the ordinary shares.

The Company has investments in the following subsidiaries as at the year-end:

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	Ownership interest 2020 %	2019 %
Aspen Vision All Sdn. Bhd. ("AV All") *	Malaysia	Investment holding	100	100
Kanada-Ya SG Pte. Ltd. ("Kanada-Ya SG")	Singapore	Restaurants	100	100
Subsidiaries of AV All				
Aspen Vision Construction Sdn. Bhd. ("AV Construction") *	Malaysia	General construction	100	100
AG Innovation Sdn. Bhd. ("AG Innovation") *	Malaysia	IT services	100	100
Aspen Vision Properties Sdn. Bhd. ("AV Properties") *	Malaysia	Investment holding	100	100
Aspen Vision Credit Sdn. Bhd. ("AV Credit") *	Malaysia	Investment holding	100	100
Aspen Glove Sdn. Bhd. ("AGSB") *	Malaysia	Investment holding and manufacturing of gloves	70	–
Subsidiaries of AV Properties				
Aspen Vision Development Sdn. Bhd. ("AV Development") *	Malaysia	Provision of management services and investment holding	100	100
Aspen Vision Development (Central) Sdn. Bhd. ("AVD Central") *	Malaysia	Investment holding and property development	100	100
Aspen Vision Synergy Sdn. Bhd. ("AV Synergy") *	Malaysia	Property development	100	100

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	Ownership interest	
			2020 %	2019 %
Aspen Vision Realty Sdn. Bhd. ("AV Realty") *	Malaysia	Dormant	100	100
Aspen Vision Homes Sdn. Bhd. ("AV Homes") *	Malaysia	Investment holding	51	51
Subsidiaries of AV Development				
Aspen Vision Land Sdn. Bhd. ("AV Land")*	Malaysia	Investment holding	100	100
Aspen Vision Builders Sdn. Bhd. ("AV Builders")*	Malaysia	Property development	100	100
Aspen Vision Ventures Sdn. Bhd. ("AV Ventures") *	Malaysia	Property development	100	100
Aspen Vision Tanjung Sdn. Bhd. ("AV Tanjung") *	Malaysia	Property development	100	100
Viana Mentari Sdn. Bhd. ("VMSB") *	Malaysia	Investment holding	100	100
Subsidiary of AV Homes				
Aspen Park Hills Sdn. Bhd. ("APH") *	Malaysia	Property development	38	38
Subsidiary of AV Land				
Aspen Vision City Sdn. Bhd. ("AV City") *	Malaysia	Property development	80	80
Subsidiary of Kanada-Ya SG				
Kanada-Ya Restaurants Pte. Ltd. ("Kanada-Ya RES")	Singapore	Restaurants	100	–

* Audited by KPMG PLT, Penang

Other member firms of KPMG International are auditors of significant foreign-incorporated subsidiaries. For this purpose, a subsidiary is considered significant as defined under the Singapore Exchange Limited's Listing Manual if its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if its pre-tax profits account for 20% or more of the Group's consolidated pre-tax profits.

8 Associates

	Group		
	2020	2019	1 January 2019
	RM'000	RM'000	RM'000
		Restated*	Restated*
Interest in associates	93,321	31,811	30,462
Redeemable preference shares	53,835	53,835	53,835
	147,156	85,646	84,297

* See note 2.5

Redeemable preference shares ("RPS") in associates are issued by Bandar Cassia Properties (SC) Sdn. Bhd. ("Bandar Cassia") at RM31,350,000 (2019: RM31,350,000; 1 January 2019: RM31,350,000) redeemable for a period of 5 years and bears dividend of 5.5% , by Global Vision Logistics Sdn. Bhd. ("GVL") at RM22,485,000 (2019: RM22,485,000; 1 January 2019: RM22,485,000) redeemable for a period of 10 years and bears dividend of 3.5% and by Delivereat Sdn. Bhd. ("Delivereat") at RM2,500,000 (2019: RM2,500,000; 1 January 2019: nil) redeemable for a period of 5 years and bears dividend of 5%.

Impairment loss

In 2019, the Group recognised full impairment loss of RM2,500,000 on Delivereat as the recoverable amount is lower than its carrying amount. The recoverable amount was estimated using the fair value less costs to sell approach, where the share of the residual net asset position of the associate is negligible following poor performance of the business.

Associates

The Group has 2 (2019: 2; 1 January 2019: 2) material associates and 1 (2019: 1; 1 January 2019: nil) associate which is individually immaterial as at 31 December 2020, which are equity accounted for. Details of the material associates are as follows:

	Principal place of business/ Country of incorporation	Principal activities	Ownership interest/ Voting rights held		
			2020	2019	1 January 2019
			%	%	%
Bandar Cassia*	Malaysia	Acquiring, developing and holding investment properties	30	30	30
GVL#	Malaysia	Investment holding	30	30	30

* Audited by Deloitte PLT, Malaysia.
# Audited by PCCO PLT, Malaysia.

An associated company is considered significant as defined under the Singapore Exchange Limited's Listing Manual if the Group's share of its net tangible assets represent 20% or more of the Group's consolidated net tangible assets, or if the Group's share of its pre-tax profits accounts for 20% or more of the Group's consolidated pre-tax profits.

The following summarises the financial information of each of the Group's material associates based on the respective unaudited financial statements prepared in accordance with SFRS(I), modified for fair value adjustments on acquisition and differences in the Group's accounting policies:

	Bandar Cassia RM'000	GVL RM'000	Total RM'000
31 December 2020			
Revenue	–	–	–
Profit after tax^	650	204,386	205,036
OCI	–	–	–
Total comprehensive income	650	204,386	205,036
Non-current assets	258,168	502,140	760,308
Current assets	7,588	2,319	9,907
Non-current liabilities	(190,076)	(254,001)	(444,077)
Current liabilities	(18,451)	(179)	(18,630)
Net assets	57,229	250,279	307,508
Attributable to the Group	6,891	75,083	81,974
Elimination of unrealised profit	(71)	–	(71)
Other adjustments#	11,418	–	11,418
Carrying amount of interest in associate at the end of the year	18,238	75,083	93,321
Group's interest in net assets of investee at beginning of the year	18,044	13,767	31,811
Group's share of:			
- Profit after tax	194	61,316	61,510
- OCI	–	–	–
- Total comprehensive income	194	61,316	61,510
Carrying amount of interest in investee at end of the year	18,238	75,083	93,321

	Bandar Cassia RM'000 Restated*	GVL RM'000 Restated*	Total RM'000 Restated*
31 December 2019			
Revenue	–	–	–
Profit after tax^	693	1,900	2,593
OCI	–	–	–
Total comprehensive income	693	1,900	2,593

	Bandar Cassia RM'000 Restated*	GVL RM'000 Restated*	Total RM'000 Restated*
Non-current assets	244,656	264,167	508,823
Current assets	11,407	6,482	17,889
Non-current liabilities	(170,293)	(224,522)	(394,815)
Current liabilities	(29,191)	(234)	(29,425)
Net assets	56,579	45,893	102,472
Attributable to the Group	6,697	13,767	20,464
Elimination of unrealised profit	(71)	–	(71)
Other adjustments#	11,418	–	11,418
Carrying amount of interest in associate at the end of the year	18,044	13,767	31,811
Group's interest in net assets of investee at beginning of the year	17,265	13,197	30,462
Group's share of:			
- Profit after tax	779	570	1,349
- OCI	–	–	–
- Total comprehensive income	779	570	1,349
Carrying amount of interest in investee at end of the year	18,044	13,767	31,811
1 January 2019			
Revenue	235	438	673
Profit after tax^	40,913	43,743	84,656
OCI	–	–	–
Total comprehensive income	40,913	43,743	84,656
Non-current assets	171,047	250,600	421,647
Current assets	4,008	3,818	7,826
Non-current liabilities	(108,623)	(210,324)	(318,947)
Current liabilities	(10,546)	(101)	(10,647)
Net assets	55,886	43,993	99,879
Attributable to the Group	5,918	13,197	19,115
Elimination of unrealised profit	(71)	–	(71)
Other adjustments#	11,418	–	11,418
Carrying amount of interest in associate at the end of the year	17,265	13,197	30,462
Group's interest in net assets of investee at beginning of the year	15,850	75	15,925
Group's share of:			
- Profit after tax	1,427	13,122	14,549
- OCI	–	–	–
- Unrealised profit from associate	(12)	–	(12)
- Total comprehensive income	1,415	13,122	14,537
Carrying amount of interest in investee at end of the year	17,265	13,197	30,462

* See note 2.5

^ Included in Bandar Cassia and GVL's profit after tax were changes in fair value of investment properties amounted to RM9,000,000 (2019: RM6,500,000; 1 January 2019: RM41,019,000) and RM235,000,000 (2019: RM11,487,000; 1 January 2019: RM47,480,000) respectively. The Group's share of fair value gain recognised on investment properties of Bandar Cassia and GVL amounted to

RM2,700,000 (2019: RM1,950,000; 1 January 2019: RM12,306,000) and RM70,500,000 (2019: RM3,446,000; 1 January 2019: RM14,244,000) respectively.

Other adjustments represent the fair value of land rights acquired by AV Development through the acquisition of 49% remaining interest in AV Land from a joint venture partner (note 5).

The following are information relating to the investment properties held by the associates:

Investment properties of associates

Total assets of associates include investment properties held to earn rental income or for capital appreciation or both. Investment properties also includes property that is being constructed or developed for future use.

Investment properties of associates are leased to non-related parties under operating leases.

Measurement of fair value

(a) Fair value hierarchy

The fair value of investment properties was determined by an external, independent valuation company, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued. The independent valuers provide the fair value of the Group's investment properties portfolio on a yearly basis.

The fair value measurement for the investment properties has been categorised as a Level 3 fair value based on the inputs to the valuation technique used (see note 2.4).

	2020 **RM'000**	**2019** **RM'000** **Restated***	**1 January 2019** **RM'000** **Restated***
Bandar Cassia			
Fair value of investment property	RM144,500	RM135,500	RM129,000
GVL			
Fair value of investment property (based on valuation report)	RM495,000	RM260,000	RM248,513

Valuation technique and significant unobservable inputs

The following table shows the Group's valuation technique used in measuring the fair value of investment property, as well as the significant unobservable inputs used.

Valuation technique	**Significant unobservable inputs**	**Inter-relationship between key unobservable inputs and fair value measurement**
Comparison method: Sales price of comparable land in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot.	Price per square foot: • Bandar Cassia - RM65 (2019: RM61: 1 January 2019: RM58) • GVL - RM160 (2019: RM84; 1 January 2019: RM80	The estimated fair value would increase (decrease) if price per square foot was higher (lower).

9 Development properties

	Group	
	2020	2019
	RM'000	RM'000
Current		
Properties under development, for which revenue is to be recognised over time		
Land and land related costs	207,711	252,627
Development costs	258,627	153,591
	466,338	406,218
Current		
Properties under development, for which revenue is to be recognised at a point in time		
Land and land related costs	2,202	4,404
Development costs	1,184	3,508
	3,386	7,912
Completed units	44,795	70,456
	514,519	484,586
Non-current		
Land held for property development		
Land and land related costs	310,704	312,482
Development costs	57,953	39,572
	368,657	352,054
Total development properties	883,176	836,640

(i) During the year, development properties for sale of RM197,938,000 (2019: RM189,120,000) were recognised as an expense and included in "cost of sales".

(ii) Asset for recovery

Included in properties under development are sold units of sales contracts with a right of return of RM7,721,000 (2019: RM5,114,000).

(iii) Land costs (sold units)

As at 31 December 2020, land related costs that are attributable to the sold units amounted to RM10,587,000 (2019: RM13,002,000). These costs are expected to be recoverable and amortised in profit or loss when the related revenue are recognised. The land costs amortised in profit or loss for the financial year ended 31 December 2020 is RM10,180,000 (2019: RM7,160,000).

(iv) Interest expenses

Included in the development properties was interest expenses capitalised of RM43,655,000 (2019: RM13,333,000).

Security

At 31 December 2020, the land and land related cost of RM500,944,000 (2019: RM549,840,000) and completed units of RM3,852,000 and RM29,800,000 (2019: RM18,181,000 and nil) were pledged to secure banking facilities granted to the Group and Company respectively (note 15).

Estimation of allowance for foreseeable losses for development properties

The Group assesses at every reporting date whether any allowance for foreseeable losses is required. The allowance for foreseeable losses is estimated after taking into account estimated selling prices and estimated total construction costs. The estimated selling prices are based on recent selling prices for the development project or comparable projects and prevailing market conditions. The estimated total construction costs are based on contracted amounts and, in respect of amounts not contracted for, management's estimates of the amounts to be incurred taking into consideration historical trends of the amounts incurred. As at the reporting date, no allowance for foreseeable losses is recognised.

10 Contract costs

Capitalised commission and legal fees

The amount relates to commission fees paid to property agents and legal fees for securing sale contracts. The Group has therefore capitalised the commission fees and shall amortise these commission fees when the related revenue is recognised. No impairment was recorded.

	Group	
	2020	**2019**
	RM'000	**RM'000**
Capitalised commission and legal fees	11,966	13,852

11 Contract assets/(liabilities)

		Group	
	Note	**2020**	**2019**
		RM'000	**RM'000**
Contract assets	(i)	97,148	36,461
Contract liabilities	(ii)	(2,434)	(10,113)
		94,714	26,348

(i) Contract assets

Contract assets relate primarily to the Group's right to consideration for work completed but not billed at the reporting date in respect of its property development business. The contract assets are transferred to trade receivables when the rights become unconditional. This usually occurs when the Group invoices the customer upon the construction milestones achieved.

(ii) Contract liabilities

Contract liabilities relate primarily to:

- advance consideration received from customers; and
- progress billings issued in excess of the Group's rights to the consideration.

Contract liabilities are recognised as revenue when the Group fulfils its performance obligation under the contract with the customer.

The significant changes in the contract assets and contract liabilities during the year are as follows:

	Group	
	2020	2019
	RM'000	RM'000
Contract assets		
At 1 January	36,461	33,350
Contract asset reclassified to trade receivables	(36,461)	(33,350)
Progress billings raised during the year	(170,603)	(156,286)
Revenue recognised during the year	267,751	192,747
At 31 December	97,148	36,461
Contract liabilities		
At 1 January	(10,113)	(45,782)
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	10,113	45,782
Changes in measurement of progress	–	57,024
Increases due to cash received, excluding amounts recognised as revenue during the year	(2,434)	(67,137)
At 31 December	(2,434)	(10,113)

12 Inventories

	Group	
	2020	2019
	RM'000	RM'000
Housing quotas	17,603	17,603
Food and beverages	196	–
	17,799	17,603
Housing quotas		
At 1 January	17,603	17,603
Utilisation of housing quotas	–	–
At 31 December	17,603	17,603

Housing quotas represent the tradable low-medium cost and affordable housing quotas approved by the local council in Penang, Malaysia, arising from the Group's development of low-medium cost and affordable houses.

13 Trade and other receivables

	Group		Company	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Current				
Trade receivables	14,343	43,401	–	–
Non-trade amounts due from:				
• holding company	73	32	24	–
• subsidiaries	–	–	91,422	56,320
Dividends receivables	–	–	–	18,753
Other receivables	4,520	20,934	26	–
Deposits	26,650	34,499	–	–
	45,586	98,866	91,472	75,073
Prepayments	4,136	10,537	–	1,835
	49,722	109,403	91,472	76,908
Non-current				
Deposits	913	–	–	–
Advances to associates	19,920	17,340	–	–
	20,833	17,340	–	–
Total trade and other receivables	70,555	126,743	91,472	76,908

The non-trade amounts due from holding company and subsidiaries are unsecured, interest-free and repayable on demand. There is no allowance for impairment loss arising from these outstanding balances as the ECL is not material.

Advances were made to associates to subscribe for the redeemable preferences shares to be issued by Bandar Cassia and GVL of RM15,240,000 and RM4,680,000 (2019: RM15,240,000 and RM2,100,000) respectively.

. Included in non-trade amounts due from subsidiaries is an amount of RM39,360,000 and RM30,422,000 (2019: RM42,857,000) which are unsecured, subject to interest of 7.5% and 1.5% (2019: 6.5%) respectively per annum and repayable on demand. The amounts are classified as current as the Company expects to receive payment within the next 12 months. There is no allowance for impairment loss arising from these outstanding balances as the ECL is not material.

Included in deposits of the Group is an amount of RM23,876,000 (2019: RM29,536,000) as at 31 December 2020, representing deposits paid for the purchase of land by its subsidiaries.

The Group's exposure to credit risk and impairment losses related to trade and other receivables is disclosed in note 30.

14 Cash and cash equivalents

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Short term investment fund	3,452	22,042	62	62
Fixed deposits	5,471	7,123	–	–
Cash and bank balances	77,642	38,498	29,086	5,956
Cash and cash equivalents in the statements of financial position	86,565	67,663	29,148	6,018
Deposit pledged to financial institutions	(2,777)	(7,123)		
Cash and cash equivalents in the consolidated statement of cash flows	83,788	60,540		

Short-term investment fund represents investment in fixed income trust which can be redeemed within a period of less than 31 days.

Included in the cash and bank balances of the Group is an amount of RM13,339,000 (2019: RM9,679,000), where the utilisation is subject to the Housing Developers (Housing Development Account) (Amendment) Regulation, 2002, Malaysia. These accounts, which consist of monies from purchasers, are for the payment of property development expenditure incurred. The surplus monies, if any, will be released to respective subsidiaries upon the completion of property development projects and after all property development expenditure have been fully settled.

Fixed deposits of RM2,777,000 (2019: RM7,123,000) were pledged as securities for bank facilities granted to the Group (note 15).

The Group's exposure to credit and interest rate risks related to cash and cash equivalents is disclosed in note 30.

15 Loans and borrowings

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Current					
Lease liabilities		16,884	2,235	–	–
Term loans and bridging loans – secured		106,514	55,625	–	–
Revolving credit – secured		9,203	21,330	–	–
Convertible loans		28,091	45,018	28,091	45,018
		160,692	124,208	28,091	45,018

	Note	Group		Company	
		2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Non-current					
Lease liabilities		47,712	12,553	–	–
Term loans and bridging loans – secured		249,838	276,005	–	–
Redeemable preference shares	18	38,140	34,584	–	–
		335,690	323,142	–	–
Total loans and borrowings		496,382	447,350	28,091	45,018

The Group's exposure to interest rate and liquidity risks related to loans and borrowings is disclosed in note 30.

Terms and debt repayment schedule

	Nominal interest rate %	Year of maturity	Currency	2020 Face value RM'000	2020 Carrying amount RM'000	2019 Face value RM'000	2019 Carrying amount RM'000
Group							
Lease liabilities	1.84-6.03	2020-2044	RM	76,198	64,596	22,224	14,788
Term loans and bridging loans – secured	4.90-8.00	2020-2038	RM	362,013	356,352	338,460	331,630
Revolving credit – secured	7.10-8.20	2021	RM	9,203	9,203	21,330	21,330
Redeemable preference shares	5.00-8.00	2024-2030	RM	38,140	38,140	34,584	34,584
Convertible loans	6.50-7.50	2021	USD	28,605	28,091	45,611	45,018
				514,159	496,382	462,209	447,350

Breach of loan covenant

During 2019, the Group secured term loans with a carrying amount of RM9,749,000. These loans are repayable in tranches within 1 to 5 years. However, the term loans contain a covenant stating that a written consent shall be obtained from bank prior to the subsidiary making any advances to its related companies. As a result, the covenant was breached as at 31 December 2019. Accordingly, the bank loan had been classified as current liabilities. The subsidiary has since obtained written consent from bank in 2020. The Group did not have any covenant breaches in 2020 and these secured term loans have been classified according to their dates of maturity.

Securities

The term loans and bridging loans are secured over the freehold land under development properties (note 9), fixed and floating charges over certain subsidiaries' present and future assets, fixed deposits placed by the subsidiaries (note 14), joint and several guarantee by certain directors of the subsidiaries and corporate guarantees by subsidiaries.

The revolving credit facility is secured over fixed and floating charges over a subsidiary's present and future assets, pledge of the Company's shares held by the immediate and ultimate holding company, deed of assignment of benefits of certain contract proceeds of its subsidiary, corporate guarantee by its subsidiary and personal guarantee by a director of a subsidiary.

The convertible loans are secured over the completed properties under development properties (note 9), personal guarantee by a director and shares held by a director in the Company and its immediate and ultimate holding company.

Convertible loans

During the year, convertible loans bore interest rate at 7.50% (2019: 6.50) per annum. The tenure of the convertible loan is 18 months from the date of first drawn down of the loan and have been extended for another 12 months. Up to 50% of the loans are convertible into ordinary shares at SGD 0.35 per share at the option of the lender in one or multiple tranches at any time during the loan tenure. The equity component has been assessed to be negligible.

Intra-group financial guarantee

Intra-group financial guarantee comprises a guarantee given by the Company to certain banks in respect of banking facilities amounting to RM183,106,000 (2019: RM187,200,000) granted to three wholly-owned subsidiaries which expire over a period between year 2023 – 2026 and to an unrelated party in respect of joint venture agreement entered by a wholly-owned subsidiary amounting to nil (2019: RM47,068,000). At the reporting date, the Company has not recognised an ECL provision as the ECL amount was lower than the amortised liability for intra-group financial guarantee contracts. The Company does not consider it probable that a claim will be made against the Company under the guarantee.

Redeemable preference shares

During the year, AV City, a wholly-owned subsidiary of the Group, issued redeemable preference shares ("RPS") to its non-controlling interests. The RPS is classified as financial liability as it is redeemable on a specific date and dividend payments are not discretionary.

The salient features of the RPS are as follows:

(a) The maturity date of the RPS is the day falling five (5) years from the date of issue of the RPS unless the tenure of the RPS, if permitted by law, is extended by AV City and the RPS holder. If such date is not a business day, then it shall be the next business day immediately after the said non-business day.

(b) The RPS shall carry the right to receive cumulative preferential dividend out of the distributable profit of AV City, at dividend rates of RM5.50 and RM8.00 per annum per RPS. No dividends shall be paid on the ordinary shares of AV City unless the dividends on the RPS have first been paid. The dividends for the RPS shall be payable within 30 days from the close of each financial year end, and to the extent that the dividends or any part thereof is not paid on the relevant dividend payment date, it shall continue to accumulate (whether or not there are any distributable reserves). Provided that the first dividend payment shall not be earlier than the 1st anniversary of the issuance of the RPS. The last dividend payment shall be made on the maturity date.

(c) The RPS shall not be convertible into or exchangeable for shares of another class of AV City.

(d) The RPS shall rank in priority to any other classes of shares in AV City. No further shares ranking as to dividends or as to capital in priority to the said RPS shall be created or issued by AV City except with the consent or sanction of the holder of the said RPS.

(e) AV City may at any time, apply any profit or moneys of AV City which may be lawfully applied for purpose of the redemption of all or any of the RPS at its issue price during the tenure of the RPS at the option of AV City, where not less than seven (7) business days' in writing notice must be given.

At the same time and place so fixed such holders shall be bound to surrender to AV City the certificate of the RPS to be redeemed and AV City shall pay the amount payable in respect of such redemption and where such certificate comprises any RPS which have not been drawn for redemption, AV City shall issue to the holders thereof a fresh certificate.

Any remaining RPS not redeemed by AV City or surrendered by the RPS holders at the maturity date shall be automatically redeemed by AV City at its issue price.

All the provision of the Malaysia Companies Act, 1965 relating to redemption of shares, the premium payable on redemption (if any), the maintenance of the share premiums account of AV City (if any) as well as the creation or increase where requisite of the capital redemption reserve shall be duly observed.

(f) The redemption price is at 100% of the RPS's issue price together with arrears of unpaid dividends up to the date of redemption.

AV City may redeem the RPS on a pro-rate basis at the Redemption Price commencing from the date of issue of the RPS up to the maturity date, subject to written notice given not less than seven (7) business days.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Loans and borrowings RM'000 (note 15)	Interest payable RM'000 (note 16)	Lease liabilities RM'000 (note 15)	Total RM'000
Balance at 1 January 2019	154,990	2,829	3,788	161,607
Recognition of lease liabilities on initial application of SFRS(I) 16	–	–	7,762	7,762
Adjusted balance at 1 January 2019	154,990	2,829	11,550	169,369
Changes from financing cash flows				
Proceeds from loan and borrowings	295,454	–	–	295,454
Repayment of loan and borrowings	(42,346)	–	–	(42,346)
Payment of lease liabilities	–	–	(1,535)	(1,535)
Interest paid	(19,405)	(2,779)	(597)	(22,781)
Issuance of redeemable preference shares to non-controlling interest	25,184	–	–	25,184
Total changes from financing cash flows	258,887	(2,779)	(2,132)	253,976
Other changes – liability-related				
New leases	–	–	4,773	4,773
Interest expense	19,405	3,880	597	23,882
Unrealised gain on convertible loan	(720)	–	–	(720)
Total liability-related other changes	18,685	3,880	5,370	27,935
Balance at 31 December 2019	432,562	3,930	14,788	451,280
Balance at 1 January 2020	432,562	3,930	14,788	451,280
Changes from financing cash flows				
Proceeds from loan and borrowings	54,908	–	–	54,908
Repayment of loan and borrowings	(59,244)	–	–	(59,244)
Payment of lease liabilities	–	–	(7,307)	(7,307)
Interest paid	(24,783)	(1,585)	(1,135)	(27,503)
Issuance of redeemable preference shares to non-controlling interest by a subsidiary	3,556	–	–	3,556
Total changes from financing cash flows	(25,563)	(1,585)	(8,442)	(35,590)
Other changes – liability-related				
New leases	–	–	57,115	57,115
Interest expense	24,783	5,318	1,135	31,236
Unrealised loss on convertible loan	4	–	–	4
Total liability-related other changes	24,787	5,318	58,250	88,355
Balance at 31 December 2020	431,786	7,663	64,596	504,045

16 Trade and other payables

	Group		Company	
	2020 RM'000	2019 RM'000	2020 RM'000	2019 RM'000
Current				
Trade payables	162,464	173,570	–	–
Other payables	9,622	21,144	1,253	77
Non-trade amounts due to:				
- subsidiaries	–	–	294	4,993
Accrued operating expenses	110,946	96,325	731	737
Dividend payable	–	8,467	–	8,467
Interest payable	7,663	3,930	514	593
Refund liabilities	13,816	11,662	–	–
	304,511	315,098	2,792	14,867
Non-current				
Other payables	110,938	108,383	–	–
Amount due to non-controlling interests	13,160	–	–	–
Provision for reinstatement costs	673	–	–	–
	124,771	108,383	–	–

Included in trade payables of the Group are retention sums payable amounted to RM44,396,000 (2019: RM39,548,000).

Non-trade amounts with subsidiaries of the Company are unsecured, interest-free and repayable on demand.

Long-term other payables relates to consideration payable for various plots of land which is due in 2022.

Included in other payables of the Group are booking fees received from purchasers amounted to RM135,000 (2019: RM93,000).

17 Share-based payment transactions

Description of the share-based payment arrangements

The Group has the following share-based payment arrangements:

Performance share plan (equity-settled)

On 8 December 2018, the Group offered 11 of its employees the opportunity to participate in an employee performance share plan. To participate in the plan, the employees are required to achieve time-based of 5 years. Under the terms of the plan, at the end of the 5 years, the employees receive awards with shares at market price of the shares at the grant date. Only employees that remain in services and achieve the time-based for 5 years will become entitled to the share awards.

Measurement of fair values

Equity settled share-based payment arrangements

The fair value of the employee performance share plan has been set at a price equal to the average of the last dealt price for the Company's ordinary shares on the Catalist for the five consecutive trading days immediately preceding the relevant date of the grant of the share. Service and non-market performance conditions attached to the arrangements were not taken into account in measuring fair value.

The fair values at the grant date of the equity-settled share-based payment plans were as follows:

	Performance share plan
	2019
Fair value at grant date	SGD 0.121
Weighted average exercise price	SGD 0.121

At 31 December 2020, a total amount of nil (2019: 32,000) was invested by the participants in the share awards plan.

Expense recognised in profit or loss

For details on the related employee benefit expenses, see note 25.

18 Deferred tax assets/(liabilities)

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes related to the same authority. The amounts, determined after appropriate offsetting, are included in the statements of financial position as follows:

	Assets		**Liabilities**		**Net**	
	2020 RM'000	**2019 RM'000**	**2020 RM'000**	**2019 RM'000**	**2020 RM'000**	**2019 RM'000**
Group						
Deferred tax assets/ (liabilities)						
Investment in associate	–	–	(2,740)	(2,740)	(2,740)	(2,740)
Unrealised profits	5,450	5,046	–	–	5,450	5,046
Inventories	–	–	(3,250)	(2,293)	(3,250)	(2,293)
Property, plant and equipment	152	133	(145)	(1,555)	7	(1,422)
Tax loss carry-forwards	1,173	1,942	–	–	1,173	1,942
Development properties	5,723	4,253	(6,802)	(7,015)	(1,079)	(2,762)
Other item	278	–	–	–	278	–
	12,776	11,374	(12,937)	(13,603)	(161)	(2,229)
Set off of tax	(2,156)	(3,870)	2,156	3,870	–	–
	10,620	7,504	(10,781)	(9,733)	(161)	(2,229)

The movements in the deferred tax assets and liabilities during the financial year are as follows:

	At 1 January 2019 RM'000	Recognised in profit or loss RM'000 (note 26)	At 31 December 2019 RM'000	Recognised in profit or loss RM'000 (note 26)	At 31 December 2020 RM'000
Group					
Deferred tax assets/ (liabilities)					
Land rights	(7,222)	7,222	–	–	–
Investment in associate	(2,740)	–	(2,740)	–	(2,740)
Unrealised profits	5,656	(610)	5,046	404	5,450
Inventories	(528)	(1,765)	(2,293)	(957)	(3,250)
Property, plant and equipment	(232)	(1,190)	(1,422)	1,429	7
Tax loss carry-forwards	2,890	(948)	1,942	(769)	1,173
Development properties	216	(2,978)	(2,762)	1,683	(1,079)
Other items	–	–	–	278	278
	(1,960)	(269)	(2,229)	2,068	(161)

Unrecognised deferred tax asset

Deferred tax asset has not been recognised in respect of the following items:

	Group 2020 RM'000	Group 2019 RM'000
Unabsorbed capital allowance	(47)	(41)
Tax losses	10,494	9,879
Other deductible temporary differences	5,755	5,573
	16,202	15,411

Unutilised tax losses do not expire under current tax legislation. Deferred tax assets have not been recognised in respect of the unutilised tax losses because it is not probable that future taxable profits will be available against which the Group can utilise the benefits therefrom.

19 Share capital

	2020 No. of shares '000	2019 No. of shares '000
Company		
At 1 January	963,570	963,618
Issue of shares through private placement	100,000	–
Issue of script dividend	19,700	–
Repurchase of own shares	–	(133)
Equity-settled share-based payment transactions	–	85
In issue at 31 December	1,083,270	963,570

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally with regard to the Company's residual assets.

All issued shares are fully paid, with no par value.

Issue of ordinary shares

On 18 November 2020, 100,000,000 ordinary shares were issued through private placement at SGD0.24 per share.

During 2019, 84,800 ordinary shares were issued from the performance share plan granted to employees. (see note 17).

Issue of scrip dividend

On 21 January 2020, 19,699,494 ordinary shares were issued and allotted at an issue price of SGD0.124 per share.

Dividends

The Board of Directors of the Company has not proposed any dividend in respect of the financial year ended 31 December 2020.

For the financial year ended 31 December 2019, a tax-exempt interim ordinary dividend of RM0.342 cents per share was declared and paid by the Company.

20 Reserves

	Group		Company	
	2020 RM'000	2019 RM'000 Restated*	2020 RM'000	2019 RM'000
Merger reserve	37,442	37,442	–	–
Translation reserve	(30)	(11)	–	–
Reserve for own shares	(21)	(21)	(21)	(21)
Retained earnings/ (Accumulated losses)	212,106	140,922	(9,058)	1,406
	249,497	178,332	(9,079)	1,385

* see note 2.5.

Merger reserve

Merger reserve represents the difference between the cost of investment and nominal value of share capital of the merged subsidiaries.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Reserve for own shares

The reserve for the Company's own shares comprises the cost of the Company's shares held by the Group. At 31 December 2020, the Group held 47,800 of the Company's shares (2019: 47,800).

21 Non-controlling interests

Subsidiaries with material NCI are as follows:

Name	Principal place of business/Country of incorporation	Ownership interests held by NCI 2020 %	Ownership interests held by NCI 2019 %
AV City	Malaysia	20	20
AV Homes	Malaysia	49	49

The following summarises the financial information of the Group's subsidiaries with material NCI, based on their respective consolidated unaudited financial statements prepared in accordance with FRS modified for fair value adjustments on acquisition and differences in the Group's accounting policies.

	AV City RM'000	AV Homes RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2020				
Revenue	204,965	716	–	205,681
Profit/(loss) after tax	22,341	1,353	(3,815)	19,879
OCI	–	–	–	–
Total comprehensive income	22,341	1,353	(3,815)	19,879
Attributable to NCI:				
Profit/(loss) after tax	4,468	652	(2,055)	3,065
OCI	–	–	–	–
Total comprehensive income	4,468	652	(2,055)	3,065
Non-current assets	239,556	7,500	85,970	333,026
Current assets	559,991	43,824	46,123	649,938
Non-current liabilities	(374,230)	–	(78,944)	(453,174)
Current liabilities	(257,713)	(5)	(38,309)	(296,027)
Net assets	167,604	51,319	14,840	233,763
Net assets attributable to NCI	33,521	25,146	3,109	61,776
Cash flows used in operating activities	(54,662)	(24,016)	(1,707)	(80,385)
Cash flows from/(used in) investing activities	(295)	804	(31,616)	(31,107)
Cash flows from financing activities	42,235	–	54,529	96,764
Net (decrease)/increase in cash and cash equivalents	(12,722)	(23,212)	21,206	(14,728)

	AV City RM'000	AV Homes** RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2019				
Revenue	243,057	375	–	243,432
Profit/(loss) after tax	26,805	(12)	(1,345)	25,448
OCI	–	–	–	–
Total comprehensive income	26,805	(12)	(1,345)	25,448
Attributable to NCI:				
Profit/(loss) after tax	5,361	(6)	(336)	5,019
OCI	–	–	–	–
Total comprehensive income	5,361	(6)	(336)	5,019
Non-current assets	241,389	7,500	–	248,889
Current assets	452,961	47,869	26,683	527,513
Non-current liabilities	(368,879)	–	–	(368,879)
Current liabilities	(180,208)	(5,382)	(18,028)	(203,618)
Net assets	145,263	49,987	8,655	203,905
Net assets attributable to NCI	29,053	24,494	2,164	55,711
Cash flows used in operating activities	(177,860)	(19,089)	(9,980)	(206,929)
Cash flows used in investing activities	(47,744)	(7,500)	–	(55,244)
Cash flows from financing activities	188,083	49,964	10,000	248,047
Net (decrease)/increase in cash and cash equivalents	(37,521)	23,375	20	(14,126)

** Include financial performance from July 2019 to December 2019 after subscription of a subsidiary's ordinary share by non-controlling interest.

22 Revenue

	Group	
	2020 RM'000	2019 RM'000
Sale of development properties		
- over time (properties under development)	203,344	243,947
- point in time (mainly completed units)	73,874	43,623
Sale of food and beverages	5,614	366
	282,832	287,936

Critical judgements in identifying performance obligations and measuring progress

For property development projects under the progressive payment scheme, the Group recognised revenue and costs of sales from development properties held for sale based on the percentage of completion method. The stage of completion is measured in accordance with the accounting policy stated in note 3.16. Estimates are required in determining the total estimated development costs which will affect the stage of completion. In making these assumptions, the Group relies on references to information such as current offers and/or recent contract with contractors and suppliers, estimation of construction and material costs based on historical experience; and the work of professional surveyors and architects.

Transaction price allocated to the remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	2020 RM'000	**2019 RM'000**
Aggregate amount of the transaction price allocated to sale of development properties for contracts that are partially unsatisfied	261,582	220,115

The Group expects the full transaction price allocated to the unsatisfied contracts at the reporting date to be recognised as revenue over the next 1 to 2 years (2019: 1 to 2 years).

23 Cost of sales

	Group	
	2020 RM'000	**2019 RM'000**
Property development expenses	197,938	189,120
Cost of food and beverage	1,492	679
	199,430	189,799

24 Net finance costs

	Group	
	2020 RM'000	**2019 RM'000**
Finance income		
Interest income from:		
- Short term investment funds	1,180	1,939
- Sale of development properties under deferred payment scheme	645	1,113
Total finance income	1,825	3,052

	Group	
	2020	2019
	RM'000	RM'000
Finance costs		
Interest expenses on:		
- Lease liabilities	(1,135)	(597)
- Secured term loans and bridging loans	(20,776)	(15,185)
- Revolving credit	(1,068)	(1,267)
- Convertible loans	(2,939)	(2,953)
- Redeemable preference shares	(2,763)	(1,469)
- Interest accreted upon recognition of fair value of land cost	(2,555)	(2,411)
- Unwind of discounting effect	(5)	–
	(31,241)	(23,882)
Less: Interest expense included in cost of sales and capitalised under development properties, capital expenditure in progress and right-of-use assets	28,139	17,004
Total finance costs	(3,102)	(6,878)
Net finance costs recognised in profit or loss	(1,277)	(3,826)

25 Profit before tax

The following items have been included in arriving at profit before tax for the year ended:

	Group	
	2020	2019
	RM'000	RM'000
Audit fees paid to:		
- Auditors of the Company	(380)	(304)
- Other member firms of the auditors	(177)	(168)
Non-audit fees paid to other member firms of auditors	(15)	(95)
Depreciation of property, plant and equipment	(13,262)	(9,066)
Amortisation of intangible asset	(218)	(7)
Loss on equity-settled share-based payment transactions	–	(7)
Impairment loss on property, plant and equipment	(3,237)	–
Impairment loss on an associate	–	(2,500)
Loss on disposal of property, plant and equipment	(28)	–
Property, plant and equipment written off	(33)	(653)
Government grant income	(626)	–
Employee benefit expense*:		
Salaries, bonus and other costs	(14,581)	(15,029)
Contributions to defined contribution plans	(1,717)	(1,647)
Equity-settled share-based payment transactions	–	(32)
	(16,298)	(16,708)
Less: Employee benefit expenses capitalised under development properties	–	3,176
	(16,298)	(13,532)

* Employee benefit expense excluding directors' remuneration.

26 Tax expense

	Note	Group 2020 RM'000	Group 2019 RM'000 Restated*
Current tax expense			
Current year		11,018	15,419
Changes in estimates related to prior years		2,542	1,318
		13,560	16,737
Deferred tax expense			
Origination and reversal of temporary differences		1,104	1,224
Changes in estimates related to prior years		(3,172)	(955)
	18	(2,068)	269
Total tax expense		11,492	17,006
Reconciliation of effective tax rate is as follows:			
Profit before tax		87,288	40,703
Less: Share of result of equity-accounted investees, net of tax		(61,510)	(1,349)
		25,778	39,354
Income tax using Singapore tax rate of 17% (2019: 17%)		4,382	6,690
Effect of tax rates in foreign jurisdiction		3,221	8,666
Non-deductible expenses		4,708	890
Non-taxable income		–	(28)
Effect of deferred tax assets not recognised		135	432
Changes in estimates related to prior years		(630)	363
Other items		(324)	(7)
		11,492	17,006

* See note 2.5.

Domestic income tax rate for Singapore incorporated company for the year ended 31 December 2020 was calculated at 17% (2019: 17%) of the estimated assessable profit for the year. Taxation for other jurisdiction was calculated at the rates prevailing in the relevant jurisdictions.

The tax rate applicable to entities incorporated in Malaysia is at 24% (2019: 24%).

Unrecognised deferred tax liabilities

Deferred tax liabilities have not been recognised for withholding and other taxes that would be payable on the unremitted earnings of RM262,407,000 (2019: RM162,522,000) of certain overseas subsidiaries for the year ended 31 December 2020 as the timing of the reversal of the temporary difference arising from such amounts can be controlled and it is probable that such temporary differences will not reverse in the foreseeable future.

27 Earnings per share

The basic earnings per share for the years ended 31 December 2020 and 2019 were based on the profit attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

	Group	
	2020	**2019**
	RM'000	**RM'000**
		Restated*
Profit attributable to ordinary shareholders	72,731	18,678

Weighted average number of ordinary shares

	Group	
	2020	**2019**
	RM'000	**RM'000**
At beginning of the year	963,570	963,618
Effect of shares issued through private placement	14,208	–
Script dividend scheme	18,623	–
Own shares acquired	–	(93)
Equity settled share-based payment transactions	–	20
At end of the year	996,401	963,545

* See note 2.5.

Diluted earnings per share are the same as basic earnings per share as there were no potential dilutive ordinary shares existing during the respective years.

28 Leases

Leases as lessee (SFRS(I) 16)

The Group leases land, office spaces and motor vehicles. The leases typically run for a period between 1 and 60 years, with an option to renew the lease after that date. Lease payments are renegotiated every five years to reflect market rentals. Some leases provide for additional rent payments that are based on changes in local price indices. For certain leases, the Group is restricted from entering into any sub-lease arrangements.

The office leases were entered into many years ago.

The Group leases office equipment with contract terms of one to five years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

Information about leases for which the Group is a lessee is presented below.

Right-of-use assets

Right-of-use assets related to leasehold land, leased office spaces and motor vehicles are presented as property, plant and equipment (see note 4).

	Leasehold land RM'000	Buildings RM'000	Motor vehicle RM'000	Total RM'000
2020				
Balance at 1 January	482	10,299	854	11,635
Depreciation charge for the year	(339)	(1,555)	(446)	(2,340)
Additions to right-of-use assets	47,438	10,348	–	57,786
Effect of movement in exchange rate	–	(35)	–	(35)
Balance at 31 December	47,581	19,057	408	67,046
2019				
Balance at 1 January	563	5,899	1,300	7,762
Depreciation charge for the year	(81)	(373)	(446)	(900)
Additions to right-of-use assets	–	4,773	–	4,773
Balance at 31 December	482	10,299	854	11,635

Amounts recognised in profit or loss

	2020 RM'000	2019 RM'000
Interest on lease liabilities	1,135	597
Expenses relating to short-term leases	423	362
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	95	94
Negative variable lease payments arising from rent concessions	(133)	–

Amounts recognised in consolidated statement of cash flows

	2020 RM'000	2019 RM'000
Total cash outflow for leases	8,442	2,132

Extension options

Some property leases contain extension options exercisable by the Group up to one year before the end of the non-cancellable contract period. Where practicable, the Group seeks to include extension options in new leases to provide operational flexibility. The extension options held are exercisable only by the Group and not by the lessors. The Group assesses at lease commencement date whether it is reasonably certain to exercise the extension options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant changes in circumstances within its control.

The Group has estimated that the potential future lease payments, should it exercise the extension option, would result in an increase in lease liabilities of RM12,125,000 (2019: RM7,783,000).

29 Commitments

Capital commitments

Capital expenditure contracted for at the reporting dates but not recognised in the financial statements were as follows:

	Group	
	2020	**2019**
	RM'000	**RM'000**
Construction in progress		
- Contracted for but not provided for	169,927	14,712

Other commitments

In 2019, the Group entered into a sales and purchase agreements to acquire Paya Terubong Land for a consideration of RM165,000,000.

As at the reporting date, the Group has contractual commitments to acquire the various land parcels as follows:

	Group	
	2020	**2019**
	RM'000	**RM'000**
Contracted but not provided for		
- Commitment of the subsidiaries	142,265	195,217

30 Financial instruments

Overview

The Group has exposure to the following risks from its use of financial instruments:
- Credit risk
- Liquidity risk
- Market risk

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Risk management framework

Risk management is integral to the whole business of the Group. The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework.

The management has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities.

The Group Audit Committee ("AC") oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group AC is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Group AC.

Credit risk

Credit risk is the risk of financial loss to the Group or the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's and the Company's receivables from customers and cash placed with financial institutions.

Financial transactions are restricted to counterparties that meet appropriate credit criteria that are approved by the Group and are reviewed on a regular basis. In respect of trade and other receivables, the Group has guidelines governing the process of granting credit and outstanding balances are monitored on an ongoing basis.

The Group has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. They are further restrained by credit limits and terms.

The carrying amounts of financial assets and contract assets represent the Group's and the Company's maximum exposures to credit risk, before taking into account any collateral held. The Group and the Company do not require any collateral in respect of their financial assets.

Exposure to credit risk

The maximum exposure to credit risk at the reporting date is as follows:

		Group		Company	
	Note	**2020 RM'000**	**2019 RM'000**	**2020 RM'000**	**2019 RM'000**
Contract assets	11	97,148	36,461	–	–
Trade and other receivables*	13	66,419	116,206	91,472	75,073
Cash and cash equivalents	14	86,565	67,663	29,148	6,018
		250,132	220,330	120,620	81,091

* Excluding prepayments.

The exposure to credit risk for trade receivables and contract assets at the reporting date by geographic region was as follows:

	Group	
	2020 RM'000	**2019 RM'000**
Domestic	111,040	67,744
Asia, other than domestic	451	12,118
	111,491	79,862

There is no concentration of customers' credit risk at the Company level.

Expected credit loss assessment for individual customers

The Group does not have any significant credit risk from its property development activities as its products are predominantly sold to a large number of property purchasers with end financing facilities from reputable financiers. In addition, the credit risk is limited as the ownership and rights to the properties revert to the Group in the event of default, and the products do not suffer from physical, technological nor fashion obsolescence.

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets as at 31 December:

	Group				
	Weighted average loss rate %	**Gross carrying amount RM'000**	**Impairment loss allowance RM'000**	**Net carrying amount RM'000**	**Credit impaired**
2020					
Current (not past due)	–	110,053	–	110,053	No
1 to 30 days past due	–	1,116	–	1,116	No
31 to 120 days past due	–	81	–	81	No
Over 120 days past due	–	241	–	241	No
		111,491	–	111,491	
2019					
Current (not past due)	–	74,991	–	74,991	No
1 to 30 days past due	–	3,908	–	3,908	No
31 to 120 days past due	–	916	–	916	No
Over 120 days past due	–	47	–	47	No
		79,862	–	79,862	

There are no impairment losses arising from these outstanding balances as the ECL is not material and no historical loss recorded for the past 2 years. The Group believes that no impairment allowance is necessary in respect of neither past due nor impaired balances as these are supported by booking fees received and the unimpaired amounts that are past due more than 30 days are still collectible in full, based on historical payment behaviour and analyses of customer credit risks.

Financial guarantees

At 31 December 2020, the Company has issued a guarantee to certain banks in respect of credit facilities granted to three subsidiaries and to an unrelated party in respect of joint venture agreement entered by a wholly-owned subsidiary. These guarantees are subject to impairment assessment under SFRS(I) 9. The Company has assessed that the subsidiaries have strong capacity to meet the contractual cash flows obligations in the near future and hence, does not expect significant credit losses from the guarantees. The Company's assessment is based on quantitative and qualitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements and applying experience credit judgement).

Non-trade amounts due from subsidiaries

The Company held non-trade receivables from its subsidiaries of RM91,422,000 (2019: RM56,320,000). These balances are amounts lent to subsidiaries to satisfy short-term funding requirements. The

Company uses an approach that is used on an assessment of qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements and management accounts). There is no significant increase in credit risk for these exposures. Therefore impairment on these balances has been measured based on the 12 month expected credit loss basis; and the amount of the allowance is insignificant.

Deposits and advances to associates

The Group held deposits of RM27,563,000 (2019: RM34,499,000) and advances to associates of RM19,920,000 (2019: RM17,340,000). As at the end of the reporting year, the maximum exposure to credit risk is represented by their carrying amounts in the statements of financial position. The impairment methodology applied depends on whether there has been a significant increase in credit risk. There is no significant increase in credit risk for these exposures. Therefore, impairment on these balances has been measured on the 12-month expected credit loss basis; and the amount of the allowance is insignificant.

Cash and cash equivalents

At the reporting date, the Group and Company held cash and cash equivalents of RM86,565,000 (2019: RM67,663,000) and RM29,148,000 (2019: RM6,018,000) respectively which represents its maximum exposure on these assets. The cash and cash equivalents are held with banks and financial institutions which are regulated.

Impairment on cash and cash equivalents has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties. The amount of the allowance on cash and cash equivalents was negligible.

Redeemable preference shares in associates

The Group held redeemable preference shares in associates to meet their funding requirements. Impairment on these balances has been measured on the 12-month expected loss basis which reflects the low credit risk of the exposures. The amount of the allowance on these balances is insignificant.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Group's objective is to maintain a balance between continuity of funding and flexibility through use of stand-by credit facilities.

The table below highlights the profile of the maturity of the Group's financial liabilities based on contractual undiscounted cash flows, including the interest payments and excluding the impact of netting agreements:

Group	Carrying amount RM'000	Contractual cash flows RM'000	Less than 1 year RM'000	Between 1 and 5 years RM'000	More than 5 years RM'000
31 December 2020					
Trade and other payables*	428,474	(435,054)	(305,034)	(113,570)	(16,450)
Loans and borrowings	393,646	(431,322)	(125,534)	(202,654)	(103,134)
Lease liabilities	64,596	(76,198)	(19,618)	(44,660)	(11,920)
Redeemable preference shares	38,140	(49,195)	(2,728)	(46,467)	–
	924,856	(991,769)	(452,914)	(407,351)	(131,504)
31 December 2019					
Trade and other payables*	423,388	(423,388)	(315,005)	(108,383)	–
Loans and borrowings	397,978	(467,878)	(142,982)	(268,718)	(56,178)
Finance lease liabilities	14,788	(22,224)	(2,865)	(7,834)	(11,525)
Redeemable preference shares	34,584	(45,047)	(8,727)	(36,320)	–
	870,738	(958,537)	(469,579)	(421,255)	(67,703)

* Excluding booking fees received and provision for reinstatement costs

Company	Carrying amount RM'000	Contractual cash flows RM'000	Less than 1 year RM'000	Between 1 and 5 years RM'000	More than 5 years RM'000
31 December 2020					
Trade and other payables	2,792	(2,792)	(2,792)	–	–
Loans and borrowings	28,091	(28,709)	(28,709)	–	–
Recognised financial liabilities	30,883	(31,501)	(31,501)	–	–
Intra-group financial guarantee	–	(183,106)	(183,106)	–	–
	30,883	(214,607)	(214,607)	–	–
31 December 2019					
Trade and other payables	14,867	(14,867)	(14,867)	–	–
Loans and borrowings	45,018	(45,891)	(45,891)	–	–
Recognised financial liabilities	59,885	(60,758)	(60,758)	–	–
Intra-group financial guarantee	–	(234,268)	(234,268)	–	–
	59,885	(295,026)	(295,026)	–	–

Market risk

Market risk is the risk that changes in market prices, such as interest rate and foreign exchange rates will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Currency risk

The Group is exposed to transactional foreign currency risk on sales and purchases that are denominated in currency other than Malaysia ringgit (MYR). The currencies giving rise to these risk is primarily Singapore dollar (SGD), United States Dollar (USD) and British Pound (GBP).

Exposure to currency risk

The Group's exposure to currency risk in as reported to the management of the Group is as follows:

	SGD RM'000	USD RM'000	GBP RM'000
Group			
2020			
Trade and other receivables	1,291	–	–
Loans and borrowings	–	(28,091)	–
Trade and other payables	(3,943)	(514)	(129)
Cash and cash equivalents	30,906	21,563	–
	28,254	(7,042)	(129)
2019			
Trade and other receivables	756	–	–
Loans and borrowings	–	(45,018)	–
Trade and other payables	(9,761)	(593)	–
Cash and cash equivalents	6,720	21,563	–
	(2,285)	(24,048)	–
Company			
2020			
Trade and other receivables	26	–	–
Loans and borrowings	–	(28,091)	–
Trade and other payables	(1,552)	(514)	–
Cash and cash equivalents	28,996	3	–
	27,470	(28,602)	–
2019			
Loans and borrowings	–	(45,018)	–
Trade and other payables	(8,844)	(593)	–
Cash and cash equivalents	5,932	3	–
	(2,912)	(45,608)	–

Sensitivity analysis

A 10% strengthening/(weakening) of the Malaysia ringgit against the following currencies at the reporting date would increase/(decrease) profit before tax by the amounts shown below. This analysis assumes that all other variables remain constant.

	Group Profit or loss		Company Profit or loss	
	2020 RM'000	**2019 RM'000**	**2020 RM'000**	**2019 RM'000**
SGD	(2,825)	229	(2,747)	291
USD	704	2,405	2,860	4,561
GBP	13	–	–	–

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Group's financial instruments will fluctuate because of changes in market interest rates. The Group's exposure to interest rate risk arises primarily from cash and cash equivalents and borrowings. The Group does not hedge against this risk.

At the reporting date, the interest rate profile of the Group and the Company's interest-bearing financial instruments was:

	Group		Company	
	Nominal amount		Nominal amount	
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Fixed rate instruments				
Financial assets	59,306	60,958	69,782	42,857
Financial liabilities	(75,434)	(100,932)	(28,091)	(45,018)
	(16,128)	(39,974)	41,691	(2,161)
Variable rate instruments				
Financial assets	3,452	22,042	62	62
Financial liabilities	(356,352)	(331,630)	–	–
	(352,900)	(309,588)	62	62

Fair value sensitivity analysis for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore a change in interest rates at the reporting dates would not affect profit or loss.

Cash flow sensitivity analysis for variable rate instruments

A change of 50 basis points ("bp") in interest rates at the reporting dates would have increased/ (decreased) profit or loss by the amounts shown below. There is no effect to the equity. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. The analysis is performed on the same basis for all periods presented.

	Group	
	Profit or loss	
	50 bp Increase	50 bp Decrease
	RM'000	RM'000
2020		
Variable rate instruments	(1,765)	1,765
2019		
Variable rate instruments	(1,548)	1,548

Accounting classifications and fair values

The carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy are set out below. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

		Carrying amount			Fair value			
	Note	**Amortised costs RM'000**	**Other financial liabilities RM'000**	**Total RM'000**	**Level 1 RM'000**	**Level 2 RM'000**	**Level 3 RM'000**	**Total RM'000**
Group								
31 December 2020								
Financial assets not measured at fair value								
Redeemable preference shares – associates	8	53,835	–	53,835	–	–	55,510	55,510
Trade and other receivables*	13	65,506	–	65,506				
Deposit	13	913	–	913	–	883	–	883
Cash and cash equivalents	14	86,565	–	86,565				
		206,819	–	206,819				
Financial liabilities not measured at fair value								
Trade and other payables^	16	–	(428,474)	(428,474)	–	–	(429,717)	(429,717)
Loans and borrowings								
- Term loans and bridging loans	15	–	(356,352)	(356,352)	–	(362,013)	–	(362,013)
- Revolving credit	15	–	(9,203)	(9,203)	–	(9,203)	–	(9,203)
- Redeemable preference shares	15	–	(38,140)	(38,140)	–	–	(41,467)	(41,467)
- Convertible loan	15	–	(28,091)	(28,091)	–	–	(28,091)	(28,091)
		–	(860,260)	(860,260)				

* Excluding prepayments and non-current deposits.
^ Excluding booking fee received and provision for reinstatement costs.

		Carrying amount			Fair value			
	Note	Amortised costs RM'000	Other financial liabilities RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Group								
31 December 2019								
Financial assets not measured at fair value								
Redeemable preference shares – associates	8	53,835	–	53,835	–	–	53,868	53,868
Trade and other receivables*	13	116,206	–	116,206				
Cash and cash equivalents	14	67,663	–	67,663				
		237,704	–	237,704				
Financial liabilities not measured at fair value								
Trade and other payables^	16	–	(423,388)	(423,388)	–	–	(423,912)	(423,912)
Loans and borrowings								
- Term loans and bridging loans	15	–	(331,630)	(331,630)	–	(338,460)	–	(338,460)
- Revolving credit	15	–	(21,330)	(21,330)	–	(21,330)	–	(21,330)
- Redeemable preference shares	15	–	(34,584)	(34,584)	–	–	(37,224)	(37,224)
- Convertible loan	15	–	(45,018)	(45,018)	–	–	(45,018)	(45,018)
		–	(855,950)	(855,950)				

* Excluding prepayments.
^ Excluding booking fee received and provision for reinstatement costs.

		Carrying amount			Fair value			
	Note	Amortised costs RM'000	Other financial liabilities RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Company								
31 December 2020								
Financial assets not measured at fair value								
Trade and other receivables*	13	91,472	–	91,472				
Cash and cash equivalents	14	29,148	–	29,148				
		120,620	–	120,620				
Financial liabilities not measured at fair value								
Trade and other payables	16	–	(2,792)	(2,792)				
Convertible loan	15	–	(28,091)	(28,091)	–	–	(28,091)	(28,091)
		–	(30,883)	(30,883)				
31 December 2019								
Financial assets not measured at fair value								
Trade and other receivables*	13	75,073	–	75,073				
Cash and cash equivalents	14	6,018	–	6,018				
		81,091	–	81,091				
Financial liabilities not measured at fair value								
Trade and other payables	16	–	(14,867)	(14,867)				
Convertible loan	15	–	(45,018)	(45,018)	–	–	(45,018)	(45,018)
		–	(59,885)	(59,885)				

* Excluding prepayments.

Valuation technique

Financial instruments not measured at fair value

The following table shows the valuation technique used in measuring Level 3 fair values, as well as the significant unobservable inputs used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Financial assets –redeemable preference shares	Discounted cash flows	Discount rate: 4.46% (2019: 3.50% - 5.38%)	The estimated fair value would increase/(decrease) if discount rate was lower/(higher).
Deposits	Discounted cash flows	Discount rate: 0.53% (2019: nil)	The estimated fair value would increase/(decrease) if discount rate was lower/(higher).
Other financial liabilities*	Discounted cash flows	Discount rate: 1.84% - 6.03% (2019: 2.32% - 6.41%)	The estimated fair value would increase/(decrease) if discount rate was lower/(higher).

* Other financial liabilities include loans and borrowings.

31 Capital management

The primary objectives of the Group's capital management are to safeguard the Group's ability as a going concern and to maintain an optimal capital structure so as to maximise shareholder value. Capital consists of equity attributable to owners of the Company.

To maintain or adjust the capital structure, the Group may adjust the dividend payment, return capital to shareholders, issue new shares, and obtain new borrowings to leverage on lower cost of borrowings versus the Group's weighted average cost of capital or sell assets to reduce borrowings.

The Company and its subsidiaries are in compliance with its externally imposed capital requirements for the financial year ended 31 December 2020.

32 Related parties

Transactions with key management personnel

Key management personnel of the Group are those persons having the authority and responsibility for planning, directing and controlling the authorities of the entity. The directors and senior key management are considered as key management personnel of the Group.

Key management personnel remuneration comprised:

	Group	
	2020	**2019**
	RM'000	**RM'000**
Directors fee	420	561
Short-term employee benefits	8,014	8,907
Post-employment benefits (including contributions to defined contribution plans)	810	951
Benefits-in-kind	132	164
	9,376	10,583
Key management personnel transactions comprised:		
Progress billings		
Key management personnel	253	–
Companies in which directors and key management personnel have substantial interests	267	–
	520	–

In addition to the related party information disclosed elsewhere in the financial statements, the following significant transactions took place between the Group and its related parties during the financial year on terms agreed between the parties concerned:

	2020	**2019**
	RM'000	**RM'000**
Associate		
Cost allocation received and receivable	–	25,332

33 Contingent liabilities

During 2018, AG Innovation Sdn. Bhd. and Aspen Vision All Sdn. Bhd., both subsidiaries of the Group, have been served with a Writ of Summons endorsed with a statement of claim filed by IBM Malaysia and IBM Capital Malaysia claiming RM2.2 million and RM5.4 million respectively. As at 31 December 2020, the claims are pending legal trial of which the outcome are not presently determinable. Accordingly, no provision for any liability has been made in these financial statements.

During 2019, the Company's subsidiary, Aspen Vision City Sdn. Bhd. ("AVC") has been served with a Writ of Summons endorsed with a statement of claim filed by Pendang Pembangunan Sdn. Bhd.(" Pendang"), claiming for inter alia, a sum of RM1,666,004 being refund and reimbursement of deposit and ancillary fees paid by Pendang in connection with the purchase and development of a piece of petrol station land by Pendang from AVC, which has since been terminated.

As at 31 December 2020, the claims and counterclaim are pending to withdraw by Pendang and AVC respectively. Subsequent to year end on 15 March 2021, the claims had been withdrawn by both parties. Accordingly, no provision for any liability has been made in these financial statements.

34 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision maker ("CODM"). The CODM is responsible for allocating resources and assessing performance of the operating segments. The operating segments were determined based on the reports reviewed by management.

The following summary describes the operations in each of the Group's reportable segments:

Property development	Development of residential and commercial properties
Others	Includes sales of food and beverages, manufacturing of gloves and investment holdings

	Property development RM'000	Others RM'000	Total reportable segment RM'000	Elimination RM'000	Consolidation RM'000
2020					
External revenue	277,218	5,614	282,832	–	282,832
Inter-segment revenue	204	73,558	73,762	(73,762)	–
Interest income	1,694	131	1,825	–	1,825
Interest expenses	(2,908)	(8,320)	(11,228)	8,126	(3,102)
Depreciation and amortisation	(4,761)	(8,841)	(13,602)	122	(13,480)
Segment profit before tax	41,963	20,168	62,131	25,157	87,288
Share of profit of equity-accounted investees	–	61,510	61,510	–	61,510
Reportable segment assets	1,228,871	1,423,402	2,652,273	(1,082,583)	1,569,690
Equity-accounted investees	–	147,227	147,227	(71)	147,156
Capital expenditure	428	94,102	94,530	–	94,530
Reportable segment liabilities	1,306,085	224,489	1,418,329	(476,698)	941,631

	Property development RM'000 Restated*	Others RM'000	Total reportable segment RM'000 Restated*	Elimination RM'000	Consolidation RM'000 Restated*
2019					
External revenue	287,570	366	287,936	–	287,936
Inter-segment revenue	365	194,109	194,474	(194,474)	–
Interest income	2,187	865	3,052	–	3,052
Interest expenses	(8,545)	(8,351)	(16,896)	10,018	(6,878)
Depreciation and amortisation	(2,633)	(6,469)	(9,102)	29	(9,073)
Segment profit before tax	43,725	141,871	185,596	(144,893)	40,703
Share of profit of equity-accounted investees	–	1,349	1,349	–	1,349
Reportable segment assets	1,146,942	1,235,424	2,382,366	(1,019,950)	1,362,416
Equity-accounted investees	–	85,717	85,717	(71)	85,646
Capital expenditure	58,684	18,895	77,579	(746)	76,833
Reportable segment liabilities	931,526	325,092	1,256,618	(365,486)	891,132

* See note 2.5.

Management assessed the performance of the Group's operations based on the profit before tax, total assets and total liabilities which are measured in a manner consistent with that of the financial statements.

35 Significant events

(a) On 11 August 2020, the Group acquired the entire equity interest in Aspen Glove Sdn. Bhd. ("AGSB") for a total purchase consideration of RM2. On 11 August 2020, AGSB increased its paid-up share capital from RM2 to RM100 through allotment of 98 ordinary shares at RM1 per share and these shares were subscribed by the Group (68 ordinary shares), CMY Capital Sdn. Bhd. (25 ordinary shares) and the Director of AGSB, Mr. Iskandar Basha Bin Abdul Kadir (5 ordinary shares). Consequently, AGSB became a 70% owned subsidiary of the Group.

On 28 August 2020, AGSB has further increased its paid-up share capital from RM100 to RM10,000,000 through allotment of 9,999,000 ordinary shares at RM1 per share. These shares were subscribed by the shareholders in proportion to their original shareholdings.

(b) AGSB has entered into a lease agreement with Kulim Technology Park Corporation Sdn. Bhd. ("KTPC") on 1 September 2020 to lease an industrial land at Kulim Hi-Tech Park, Daerah Kulim, Kedah, with a lease term of 60 years and total lease payments of RM51,107,000, for the purpose of construction of manufacturing plant and warehouse for its rubber gloves production and distribution.

36 Subsequent events

(a) On 18 January 2021, the Group's associate, Global Vision Logistics Sdn. Bhd. ("GVL") and its existing shareholders have entered into a subscription agreement with Logos SE Asia Pte. Ltd. ("LOGOS"), of which LOGOS will subscribe 3,750,000 ordinary shares in GVL at an issue price of RM79.11 per share, for an aggregate consideration of RM296.67million. Upon the completion of the shares subscription, the Group's interests in GVL will decrease from 30% to 12%.

(b) On 18 February 2021, the Company's subsidiary, Aspen Glove Sdn. Bhd. has incorporated a wholly-owned subsidiary, AG Medical Tech Sdn. Bhd. (AGMT) in Malaysia with an issued and paid up capital of RM2. AGMT will be primarily involved in the research and development of medical engineering technology and supply chain management in relation to the manufacturing and distribution of medical grade latex and nitrile gloves.

Statistics of Shareholdings as at 19 March 2021

Share Capital as at 19 MARCH 2021		
Issued and paid up capital	:	RM316,786,000
Number of Issued Shares (excluding Treasury Shares)	:	1,083,269,594
Number / Percentage of Treasury Shares	:	47,800 (0.004%)
Number / Percentage of Subsidiary Holdings Held	:	Nil
Class of Shares	:	Ordinary Shares
Voting Rights	:	One Vote Per Share

Distribution of Shareholders by Size of Shareholdings
AS AT 19 MARCH 2021

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1-99	12	0.49	527	0.00
100-1,000	126	5.11	106,037	0.01
1,001-10,000	714	28.93	5,069,052	0.47
10,001-1,000,000	1,589	64.38	113,461,858	10.47
1,000,001 and above	27	1.09	964,632,120	89.05
TOTAL	2,468	100.00	1,083,269,594	100.00

Twenty Largest Shareholders
AS AT 19 MARCH 2021

NO.	SHAREHOLDER'S NAME	NUMBER OF SHARES HELD	%
1	PHILLIP SECURITIES PTE LTD	362,866,929	33.50
2	KENANGA NOMINEES (TEMPATAN) SDN BHD	156,114,676	14.41
3	CITIBANK NOMINEES SINGAPORE PTE LTD	121,913,076	11.25
4	MAYBANK KIM ENG SECURITIES PTE. LTD	109,987,505	10.15
5	CGS-CIMB SECURITIES (SINGAPORE) PTE LTD	56,597,148	5.22
6	RAFFLES NOMINEES (PTE) LIMITED	30,043,501	2.77
7	HSBC (SINGAPORE) NOMINEES PTE LTD	24,883,400	2.30
8	KGI SECURITIES (SINGAPORE) PTE. LTD	23,148,100	2.14
9	DBS NOMINEES PTE LTD	19,718,250	1.82
10	OCBC SECURITIES PRIVATE LTD	15,433,006	1.42
11	UOB KAY HIAN PTE LTD	7,494,857	0.69
12	UNITED OVERSEAS BANK NOMINEES PTE LTD	6,556,803	0.61
13	THIRUMALAI CHANDRAN @ T CHANDROO	4,650,000	0.43
14	CHEAH TEIK SENG	4,480,252	0.41
15	YEE WEI MENG	3,118,000	0.29
16	DB NOMINEES (SINGAPORE) PTE LTD	2,450,785	0.23

17	IFAST FINANCIAL PTE LTD	2,219,200	0.20
18	YIM AH HOE	1,848,900	0.17
19	OCBC NOMINEES SINGAPORE PTE LTD	1,466,000	0.14
20	NG KIM SHAN	1,450,000	0.13
	TOTAL	956,440,388	88.28

Note: Percentage computed is based on 1,083,269,594 shares (excluding shares held as treasury shares) as at 19 March 2021. Treasury shares as at 19 March 2021 are 47,800 shares.

Substantial Shareholders

Substantial Shareholders of the Company (as recorded in the Register of Substantial Shareholders) as at 19 March 2021

	Direct Interest		Deemed Interest		Total	
Substantial Shareholders	**Number of Shares**	**%**	**Number of Shares**	**%**	**Number of Shares**	**%**
Aspen Vision Group Sdn. Bhd.	495,602,146	45.75	–	–	495,602,146	45.75
Dato' Murly Manokharan[(1)]	–	–	505,877,952	46.70	505,877,952	46.70
Ideal Force Sdn. Bhd.[(2)]	63,720,276	5.88	4,000,000	0.37	67,720,276	6.25
Oh Kim Sun[(3)]	41,340,000	3.82	67,720,276	6.25	109,060,276	10.07
Oxley Holdings Limited	101,340,620	9.36	–	–	101,340,620	9.36
Ching Chiat Kwong[(4)]	–	–	101,340,620	9.36	101,340,620	9.36
Low See Ching (Liu Shijin)[(5)]	–	–	101,340,620	9.36	101,340,620	9.36

Notes:

(1) By virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore, Dato' Murly Manokharan is deemed interested in the shares of the Company held through the following entities:-

(a) Aspen Vision Group Sdn. Bhd. – 495,602,146 ordinary shares (45.75%); and
(b) Intisari Utama Sdn. Bhd. – 10,275,806 ordinary shares (0.95%).

Dato' Murly Manokharan holds 64.76% and 100% of the ordinary shares of Aspen Vision Group Sdn. Bhd. and Intisari Utama Sdn. Bhd. respectively.

(2) By virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore, Ideal Force Sdn. Bhd. is deemed interested in the shares of the Company held by Setia Batu Kawan Sdn. Bhd.

Ideal Force Sdn. Bhd. holds 30% of the issued share capital of Setia Batu Kawan Sdn. Bhd.

(3) By virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore, Mr. Oh Kim Sun is deemed interested in the shares of the Company held through the following entities:-
(a) Ideal Force Sdn. Bhd. – 63,720,276 ordinary shares (5.88%); and
(b) Setia Batu Kawan Sdn. Bhd. – 4,000,000 ordinary shares (0.37%).

The issued share capital of Ideal Force Sdn. Bhd. is wholly owned by Mr. Oh Kim Sun and his associates. Mr. Oh Kim Sun holds 20% of the issued share capital of Setia Batu Kawan Sdn. Bhd.

(4) By virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore, Mr. Ching Chiat Kwong is deemed interested in the shares of the Company held through Oxley Holdings Limited as he holds 42.49% of the total issued shares (excluding treasury shares) of Oxley Holdings Limited.

(5) By virtue of Section 4 of the Securities and Futures Act, Chapter 289 of Singapore, Mr. Low See Ching (Liu Shijin) is deemed interested in the shares of the Company held through Oxley Holdings Limited as he holds 28.25% of the total issued shares (excluding treasury shares) of Oxley Holdings Limited.

Public Float

Rule 723 of the Listing Manual requires that at least 10% of the total number of issued shares excluding treasury shares (excluding preference shares and convertible equity securities) of a listed company in a class that is listed is at all times held by the public. Based on information available to the Company as at 19 March 2021, approximately 33.41% of the issued ordinary shares of the Company was held by the public and therefore, Rule 723 of the Listing Manual has been complied with.

Notice Of Annual General Meeting

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

NOTICE IS HEREBY GIVEN that the Annual General Meeting ("**AGM**") of Aspen (Group) Holdings Limited (the "**Company**") will be convened and held by way of electronic means on Monday, 26 April 2021 at 10:00 a.m. (Singapore time) to transact the following business:

ORDINARY BUSINESS	**ORDINARY RESOLUTIONS**
1. To receive and adopt the Audited Financial Statements of the Company for the financial year ended 31 December 2020, the Directors' Statement and the Report of the Auditors thereon.	**Resolution 1**
2. To approve the payment of Directors' fees of RM420,000 for the financial year ended 31 December 2020.	**Resolution 2**
3. To re-elect Dato' Murly Manokharan, a Director retiring under Regulation 97 of the Constitution of the Company. [Please refer to the explanatory note 1 provided]	**Resolution 3**
4. To re-elect Dato' Alan Teo Kwong Chia, a Director retiring under Regulation 97 of the Constitution of the Company. [Please refer to the explanatory note 1 provided]	**Resolution 4**
5. To re-elect Mr Ching Chiat Kwong, a Director retiring under Regulation 97 of the Constitution of the Company. [Please refer to the explanatory note 1 provided]	**Resolution 5**
6. To re-appoint Messrs KPMG LLP as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Directors to fix their remuneration.	**Resolution 6**

SPECIAL BUSINESS

7. Authority to Allot and Issue Shares	**Resolution 7**

THAT pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited **("SGX-ST")**, authority be and is hereby given to the Directors of the Company to allot and issue new ordinary shares in the capital of the Company **("Shares")** (whether by way of rights, bonus or otherwise), and/or make or grant offers, agreements or options (collectively, **"Instruments")** that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit; and (notwithstanding that this authority may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this authority was in force, provided that:

(a) the aggregate number of the Shares to be issued pursuant to this authority (including the Shares to be issued in pursuance of Instruments made or granted pursuant to this authority), does not exceed one hundred per cent (100%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (b) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to the existing shareholders of the Company (including the Shares to be issued in pursuance of Instruments made or granted pursuant to this authority) shall not exceed twenty per cent (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as calculated in accordance with paragraph (b) below);

(b) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of the Shares that may be issued under paragraph (a) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time such authority was conferred, after adjusting for:

(i) new Shares arising from the conversion or exercise of any convertible securities;

(ii) new Shares arising from share options or vesting of share awards, provided the options or awards were granted in compliance with Part VIII of Chapter 8 of the Listing Manual of the SGX-ST; and

(iii) any subsequent consolidation or subdivision of the Shares;

adjustments in accordance with sub-paragraphs (i) and (ii) above are only to be made in respect of new Shares arising from convertible securities, share options or share awards which were issued and outstanding or subsisting at the time of the passing of this Resolution and, in relation to an Instrument, the number of Shares shall be taken to be that number as would have been issued had the rights therein been fully exercised or effected on the date of the making or granting of the Instrument;

(c) in exercising the authority conferred by this Resolution, the Company shall comply with the requirements imposed by the SGX-ST from time to time and the provisions of the Listing Manual of the SGX-ST for the time being in force (in each case, unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, Chapter 50 of Singapore and otherwise, and the Constitution of the Company for the time being; and

(d) such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[Please refer to the explanatory note 2 provided]

8 Authority to Offer and Grant Options and Allot and Issue Shares under the AV Employee Share Option Scheme

Resolution 8

THAT pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, approval be and is hereb given to the Directors of the Company to offer and grant options, and allot and issue from time to time such number of new Shares in the share capital of the Company as may be required to be delivered pursuant to the exercise of options granted in accordance with the provisions of the AV Employee Share Option Scheme (the "**ESOS**"), provided that the aggregate number of the ESOS Shares to be issued or transferred pursuant to the ESOS on any date, when aggregated with the number of Shares over which options or awards are granted under any share option schemes or share schemes of the Company, shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company on the day preceding that date, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[Please refer to the explanatory note 3 provided]

9. Proposed Grant of Options at a Discount under the AV Employee Share Option Scheme

Resolution 9

THAT pursuant to the provisions of the existing AV Employee Share Option Scheme (the "**ESOS**"), the Directors of the Company be and are hereby authorised to grant Options in accordance with the rules of the ESOS with exercise prices set at a discount not exceeding twenty per cent (20%) to the Market Price, provided that such discount does not exceed the relevant limits as may be set by the SGX-ST from time to time.

[Please refer to the explanatory note 4 provided]

10. Authority to Allot and Issue Shares under the AV Performance Share Plan

Resolution 10

THAT pursuant to Section 161 of the Companies Act, Chapter 50 of Singapore, approval be and is hereby given to the Directors of the Company to allot and issue from time to time such number of new Shares in the share capital of the Company as may be required to be issued pursuant to the vesting of awards under the AV Performance Share Plan (the "**PSP**"), provided that the aggregate number of additional new Shares to be allotted and issued pursuant to the PSP and other share scheme(s) to be implemented by the Company (if any) shall not exceed fifteen per cent (15%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company preceding that date of grant of award, and that such authority shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next AGM of the Company or the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

[Please refer to the explanatory note 5 provided]

11. Proposed Renewal of the Share Buy Back Mandate

Resolution 11

THAT:

(a) for the purposes of the Listing Manual of the SGX-ST and the Companies Act, Chapter 50 of Singapore, the Directors be and are hereby authorised to exercise all the powers of the Company to purchase or acquire its issued and fully paid-up Shares representing not more than ten per cent (10%) of the total number of issued Shares of the Company at such price(s) as may be determined by the Directors or a committee of Directors that may be constituted for the purposes of effecting purchases or acquisitions of Shares by the Company from time to time up to the Maximum Price (as defined below), whether by way of:

(i) an on-market purchase ("**Market Purchase**"), transacted on the SGX-ST through the ready market, and which may be transacted through one or more duly licensed stock brokers appointed by the Company for the purpose; and/or

(ii) an off-market purchase ("**Off-Market Purchase**"), effected otherwise than on the SGX-ST pursuant to an equal access scheme in accordance with Section 76C of the Companies Act, Chapter 50 of Singapore,

and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act, Chapter 50 of Singapore and the Listing Manual of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Buy Back Mandate**");

(b) unless varied or revoked by the Shareholders in a general meeting, purchases or acquisitions of Shares pursuant to the proposed Share Buy Back Mandate may be made, at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:

(i) the date on which the next AGM of the Company is held or required by law to be held; or

(ii) the date on which the purchases or acquisitions of Shares by the Company pursuant to the Share Buy Back Mandate are carried out to the full extent mandated; or

(iii) the date on which the authority conferred by the Share Buy Back Mandate is revoked or varied by the Shareholders in a general meeting.

(c) in this Resolution:

"**Maximum Price**", in relation to a Share to be purchased or acquired, means the purchase price (including brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) which shall not exceed:

(i) in the case of a Market Purchase, one hundred and five per cent (105%) of the Average Closing Price (as defined below); and

(ii) in the case of an Off-Market Purchase pursuant to an equal access scheme, one hundred and twenty per cent (120%) of the Average Closing Price, where:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, before the day on which the purchase or acquisition of Shares was made, or as the case may be, the day of the making of the offer pursuant to the

Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5) Market Days period on which the purchases are made;

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

(d) the Directors and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider necessary, expedient, incidental or in the interests of the Company to give effect to the transactions contemplated and/ or authorised by this Resolution.

[Please refer to the explanatory note 6 provided]

12. Other Business

To transact any other ordinary business that may be properly transacted at an AGM of the Company.

By Order of the Board
Aspen (Group) Holdings Limited

Dato' Murly Manokharan
President and Group Chief Executive Officer
4 April 2021

EXPLANATORY NOTES:

1. Dato' Murly Manokharan (President and Group Chief Executive Officer) is considered non-independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

   Dato' Alan Teo Kwong Chia (Independent Non-Executive Director) will, upon re-election as Director of the Company, continue to serve as the Chairman of the Nominating Committee as well as a member of the Audit Committee and Remuneration Committee. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

   Mr Ching Chiat Kwong (Non-Independent Non-Executive Director) is considered non-independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

   Detailed information on Dato' Murly Manokharan, Dato' Alan Teo Kwong Chia and Mr Ching Chiat Kwong can be found under the "Meet The Board of Directors", Corporate Governance Report and "Disclosure of information on Directors seeking re-election pursuant to Rule 720(6) of the Listing Manual of the SGX-ST" sections in the Company's Annual Report 2020.

2. Ordinary Resolution 7, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM of the Company, to allot and issue Shares and/or Instruments (as defined above). The aggregate number of new Shares (including Shares to be issued in pursuance of Instruments made or granted) which the Directors may issue under this Resolution shall not exceed 100% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time of passing of this Resolution. For issue of Shares and convertible securities other than on a pro-rata basis, the aggregate number of Shares and convertible securities to be issued shall not exceed 20% of the total

number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company at the time of passing of this Resolution. This authority will, unless revoked or varied at a general meeting, expire on the date of the next AGM of the Company or on the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

On 8 April 2020, SGX RegCo issued a news release which introduced measures to support issuers amid the challenging business and economic climate due to COVID-19, including enabling the acceleration of fund-raising efforts by allowing Mainboard issuers to provisionally seek a general mandate for an issue of shares and convertible securities on a pro rata basis of up to an aggregate of 100% of its issued shares (excluding treasury shares and subsidiary holdings), versus 50% previously pursuant to Rule 806(2) of the Listing Manual of the SGX-ST (the "**Enhanced Share Issue Limit**").

SGX RegCo in consultation with the Monetary Authority of Singapore (MAS) has on 16 March 2021 extended the availability of the Enhanced Share Issue Limit. Issuers will have up to 31 December 2021 to seek or renew a general mandate for the Enhanced Share Issue Limit, which will expire at the conclusion of the next AGM or on the date by which the next AGM is required by law to be held, whichever is the earliest.

The Company is proposing to avail itself of these measures and to seek shareholders' approval for a general mandate with an Enhanced Share Issue Limit at the upcoming AGM. The Board of Directors is of the view that it would be in the interest of the Company and its shareholders to do so due to the challenging economic environment caused by the COVID-19 situation that a 50% limit for pro rata issues may no longer sufficient to meet the Company's needs. It would be prudent to avail the Company of the option of raising further funds if necessary.

The Enhanced Share Issue Limit will expire at the conclusion of the next AGM or on the date by which the next AGM of the Company is required by law to be held, whichever is earlier ("**Expiry Date**"). By the expiry date of the Enhanced Share Issue Limit, the shares issued pursuant to the Enhanced Share Issue Limit must be listed, and no further shares may be issued under that limit.

The Company will notify SGX RegCo, by way of email to enhancedsharelimit@sgx.com, of the date on which the general mandate with the Enhanced Share Issue Limit has been approved by shareholders.

3. Ordinary Resolution 8, if passed, will empower the Directors of the Company to offer and grant options, and allot and issue new Shares pursuant the ESOS provided that the aggregate number of new Shares to be allotted and issued pursuant to the ESOS and other share-based incentive scheme(s) or plan(s) to be implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or by the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

4. Ordinary Resolution 9, if passed, will empower the Directors of the Company to grant options pursuant the provisions of the existing ESOS with exercise prices set at a discount not exceeding twenty per cent (20%) to the Market Price, provided that such discount does not exceed the relevant limits as may be set by the SGX-ST from time to time.

5. Ordinary Resolution 10, if passed, will empower the Directors of the Company to allot and issue new Shares pursuant to the PSP, provided that the aggregate number of new Shares to be allotted and issued pursuant to the PSP and other share scheme(s) to be implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company. This authority will, unless revoked or varied at a general meeting, expire at the next AGM of the Company or by the date by which the next AGM of the Company is required by law to be held, whichever is earlier.

6. Ordinary Resolution 11, if passed, will empower the Directors of the Company from the date of this AGM until the date of the next AGM is held or is required by law to be held, whichever is the earlier, to purchase or acquire up to 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company as at the date of the passing of this Resolution. Details of the proposed renewal of the Share Buyback Mandate, including the sources of funds to be used for the purchase or acquisition, the amount of financing (if any) and the illustrative financial effects on the Group, are set out in the Appendix to the Annual Report 2020.

Personal Data Privacy

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM and/or any adjournment thereof, a member of the Company: (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/or representative(s) for the Purposes; and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

Notes:

1. The AGM is being convened, and will be held, by electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. **Printed copies of this notice of AGM (the "Notice") will not be sent to members**. Instead, this Notice will be sent to members by electronic means via an announcement on the SGX website at the URL *https://www.sgx.com/securities/company-announcements* and may be accessed at the Company's website at the URL *https://aspen.listedcompany.com/newsroom.html.*

2. Due to the current COVID-19 restriction orders in Singapore, members will not be able to attend the AGM in person. Members will be able to watch the proceedings of the AGM through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, members who wish to watch the "live" webcast or listen to the "live" audio feed must pre-register by **10:00 a.m. on 23 April 2021** at *https://agm.aspen.com.my.* Following authentication of their status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the AGM by **10:00 a.m. on 24 April 2021**. Members who do not receive an email by **10:00 a.m. on 24 April 2021** should contact the Company's Share Registrar, Tricor Barbinder Share Registration Services by phone call at +65 6236 3550 / +65 6236 3555 during perating hours from 8:30 a.m. to 5:30 p.m. for assistance.

   Investors who hold shares through relevant intermediaries as defined in Section 181(C) of the Companies Act, other than SRS Investors, and wish to participate in the AGM should, in additional to pre-registering, approach their respective agents, by **5:00 p.m. on 16 April 2021**, so that the necessary arrangements can be made by the relevant agents for their participating in the AGM.

3. Members who pre-register to watch the "live" webcast or listen to the "live" audio feed may also submit

questions relating to the resolutions to be tabled for approval at the AGM. Please note that members will not be able to ask questions at the AGM "live" during the webcast and the audio feed to avoid any technical disruption and interference to the Live Webcast.

All questions by members must be submitted by **no later than 10:00 a.m. on 19 April 2021** to the Company:

(a) via email to: *agm@aspen.com.my*;

(b) via post, to the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898.

For verification purpose, when submitting any questions via email, members **MUST** provide the Company with their particulars (comprising full name (for individuals)/company name (for corporates), email address, contact number, NRIC/ passport number / company registration number, shareholding type and number of shares held).

The Company will endeavour to address the substantial queries from members by 21 April 2021. Where substantial and relevant questions submitted by members are unable to be addressed prior to the AGM, the Company will address them at the AGM. The minutes of the AGM, including responses to substantial queries from the members which are addressed during the AGM, shall thereafter be published on SGXNet and the Company's corporate website at *https://aspen.listedcompany.com/newsroom.html*, within one (1) month from the date of the AGM.

Investors who hold shares through relevant intermediaries as defined in Section 181(C) of the Companies Act, including SRS Investors, can submit their questions in relation to any resolution set out in the Notice of AGM upon pre-registration, however, they must, in addition to pre-registering, approach their respective agents by **5:00 p.m. on 16 April 2021**, so that the necessary arrangements can be made by the relevant agents for their participation in the AGM.

4. A member will not be able to attend the AGM in person. Members (whether individuals or corporates) who wish to exercise their voting rights at the AGM must appoint the Chairman of the AGM as their proxy to attend, speak and vote on their behalf at the AGM. In appointing the Chairman of the AGM as proxy, members (whether individuals or corporates) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

5. The Chairman of the AGM, as proxy, need not be a member of the Company.

6. The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner:

(a) in hard copy by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898; or

(b) via email to: *sg.is.proxy@sg.tricorglobal.com*

in either case, not less than 72 hours before the time for holding the AGM and at any adjournment thereof.

A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

Investors who hold shares through relevant intermediaries as defined in Section 181(C) of the Companies Act, including SRS investors, and wish to appoint the Chairman of the AGM as proxy, should approach their respective agents to submit their votes by **5:00 p.m. on 16 April 2021** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by **10:00 a.m. on 23 April 2021**.

7. The Annual Report 2020 may be accessed at the Company's website at the URL *https://aspen.listedcompany.com/newsroom.html* and on the SGX website at the URL *https://www.sgx.com/securities/annual-reports-related-documents.*

8. The instrument appointing the Chairman of the AGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.

9. Where an instrument appointing the Chairman of the AGM as proxy is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be attached to the instrument of proxy, failing which the instrument may be treated as invalid.

10. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy (such as in the case where the appointor submits more than one instrument of proxy).

11. In the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

IMPORTANT REMINDERS

Due to the constantly evolving COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Members are advised to regularly check the Company's website or announcements released on SGXNET for updates on the AGM. Further, in view of the current COVID-19 measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

Disclosure of Information on Directors Seeking Re-Election Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST")

Dato' Murly Manokharan is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 26 April 2021 ("**AGM**") (the "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Director as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

Date of Appointment	22 December 2016
Date of last re-appointment	25 April 2019
Age	35
Country of principal residence	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Dato' Murly Manokharan for re-election as the President and Group Chief Executive Officer of the Company. The Board have reviewed and concluded that Dato' Murly Manokharan possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Executive. Dato' Murly Manokharan is responsible for leading and implementing the Group's strategy, vision and mission and the overall management, strategic planning and business development of the Group.
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	President and Group Chief Executive Officer as well as a Member of Nominating Committee
Professional qualifications	Executive Diploma in Project Management, University of Technology Malaysia

Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Yes. Dato' Murly Manokharan is a Substantial Shareholder of the Company with a deemed interest of 46.70% in the Company held through the following entities: (a) Aspen Vision Group Sdn. Bhd. – 495,602,146 ordinary shares (45.75%); and (b) Intisari Utama Sdn. Bhd. - 10,275,806 ordinary shares (0.95%). Dato' Murly Manokharan holds 64.76% and 100% of the ordinary shares of Aspen Vision Group Sdn. Bhd. and Intisari Utama Sdn. Bhd. respectively.
Conflict of Interest (including any competing business)	None
Working experience and occupation(s) during the past 10 years	July 2017 to Present: Aspen (Group) Holdings Limited - President & Group Chief Executive Officer January 2013 to July 2017: Aspen Vision Development Sdn. Bhd. - Executive Director and Chief Executive Officer February 2012 – January 2013: Ivory Properties Group Bhd - Executive Director & Group Chief Operating Officer June 2011 – February 2012: Ivory Properties Group Bhd - Operations Director May 2010 – June 2011: Ivory Properties Group Bhd - Project Director (Design & Marketing)
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) or Appendix 7H (Catalist Rule 704(6))	Yes
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest of 45.75% in the Company via 64.76% shareholding in Aspen Vision Group Sdn. Bhd.; and Deemed interest of 0.95% in the Company via 100% shareholding in Intisari Utama Sdn. Bhd.

Other Principal Commitments* Including Directorships# **Past (for the last 5 years)** **Present**	Past 1. Endless Profit Sdn. Bhd. 2. Ivory Place Sdn. Bhd. 3. Tropicana Ivory Sdn. Bhd. 4. Triple Three Properties Sdn. Bhd. Present 1. Aspen Vision Development (Central) Sdn. Bhd. 2. Aspen Vision Synergy Sdn. Bhd. 3. Bandar Cassia Properties (SC) Sdn. Bhd. 4. Aspen Vision City Sdn. Bhd. 5. Aspen Vision All Sdn. Bhd. 6. Aspen Vision Realty Sdn. Bhd. 7. Aspen Vision Properties Sdn. Bhd. 8. Aspen Vision Tanjung Sdn. Bhd. 9. Aspen Vision Builders Sdn. Bhd. 10. Aspen Vision Ventures Sdn. Bhd. 11. Aspen Vision Land Sdn. Bhd. 12. Aspen Vision Development Sdn. Bhd. 13. Aspen Vision Construction Sdn. Bhd. 14. AG Innovation Sdn. Bhd. 15. Aspen Vision Homes Sdn. Bhd. 16. Aspen Vision Group Sdn. Bhd. 17. Insiders Group Sdn. Bhd. 18. Inti Sejati Sdn. Bhd. 19. MK Jasa Sdn. Bhd. 20. Intisari Utama Sdn. Bhd. 21. Summer Empire Pte. Ltd. 22. Global Vision Logistics Sdn. Bhd. 23. Kanada-Ya SG Pte. Ltd. 24. Kanada-Ya Restaurants Pte. Ltd. 25. Aspen Vision Credit Sdn. Bhd. 26. Viana Mentari Sdn. Bhd. 27. Aspen Park Hills Sdn. Bhd. 28. Greenchem Sdn. Bhd. 29. Aspen Glove Sdn. Bhd. 30. AG Medical Tech Sdn. Bhd.
Disclose the following matters concerning an appointment of director.	
a. Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No

b.	**Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?**	No
c.	**Whether there is any unsatisfied judgment against him?**	No
d.	**Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?**	No
e.	**Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?**	No
f.	**Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?**	No
g.	**Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?**	No

h.	**Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?**	No
i.	**Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?**	No
j.	**Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–** **(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or** **(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or** **(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or** **(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?**	No
k.	**Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?**	No

Any prior experience as a director of an issuer listed on the Exchange? **If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.** **Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).**	Not applicable as this relates to the re-election of a director

Disclosure of Information on Directors Seeking Re-Election Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST")

Dato' Alan Teo Kwong Chia is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 26 April 2021 ("**AGM**") (the "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Director as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

Date of Appointment	20 June 2017
Date of last re-appointment	25 April 2019
Age	62
Country of principal residence	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Dato' Alan Teo Kwong Chia for re-election as Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Dato' Alan Teo Kwong Chia possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Independent Non-Executive Director, Chairman of the Nominating Committee as well as a member of the Audit Committee and Remuneration Committee
Professional qualifications	• ASEAN Senior Manager Development Program, Harvard Business School Alumni Club of Malaysia • Premier Business Manager Program, Harvard Club of Malaysia
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	None

Conflict of Interest (including any competing business)	None
Working experience and occupation(s) during the past 10 years	June 2011 to November 2014: AIA Bhd (part of AIA Group) – Chief Operating Officer MY October 2009 to June 2011: Great Eastern Life Malaysia – Chief Operating Officer
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) or Appendix 7H (Catalist Rule 704(6))	Yes
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest – 205,516 ordinary shares
Other Principal Commitments* Including Directorships# **Past (for the last 5 years)** **Present**	Past (for the last 5 years) • Lighthouse Resources Sdn. Bhd. • EMS Education Services Sdn. Bhd. Present • THSL Management Services Sdn. Bhd. • Bluestone Education Group Sdn. Bhd.
Disclose the following matters concerning an appointment of director.	
a. Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No
b. Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No
c. Whether there is any unsatisfied judgment against him?	No

d.	**Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?**	No
e.	**Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?**	No
f.	**Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?**	No
g.	**Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?**	No
h.	**Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?**	No
i.	**Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?**	No

j. Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:– **(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or** **(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or** **(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or** **(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?**	No
k. Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Any prior experience as a director of an issuer listed on the Exchange? **If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.** **Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).**	Not applicable as this relates to the re-election of a director

Disclosure of Information on Directors Seeking Re-Election Pursuant to Rule 720(6) of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST")

Mr Ching Chiat Kwong is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be convened on 26 April 2021 ("**AGM**") (the "**Retiring Director**").

Pursuant to Rule 720(6) of the Listing Manual of the SGX-ST, the following is the information relating to the Retiring Director as set out in Appendix 7.4.1 to the Listing Manual of the SGX-ST:

Date of Appointment	25 May 2018
Date of last re-appointment	25 April 2019
Age	56
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee and has reviewed and considered the qualification, work experience and suitability of Mr Ching Chiat Kwong for re-election as Non-Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mr Ching Chiat Kwong possess the experience, expertise, knowledge and skills to contribute towards the core competencies of the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Independent Non-Executive Director
Professional qualifications	• Degree of Bachelor of Arts, National University of Singapore • Degree of Bachelor of Social Sciences with Honours, National University of Singapore
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Yes. Mr. Ching Chiat Kwong is a substantial shareholder of the Company via his interest in 42.49% of the ordinary shares of Oxley Holdings Limited.

Conflict of Interest (including any competing business)	Yes. Mr. Ching Chiat Kwong is the Executive Chairman and Chief Executive Officer of Oxley Holdings Limited ("**Oxley**"). Mr. Ching Chiat Kwong also holds interests of 42.49% of the total issued shares (excluding treasury shares and subsidiary holdings) of Oxley. Oxley and its subsidiaries (the "Group") are principally engaged in the business of property development, property investment and project management. Should any conflict of interest arise of which Mr. Ching Chiat Kwong is reasonably aware in respect of himself and/or his alternate director Mr. Low See Ching, Mr. Ching Chiat Kwong will make such conflict known to the board of directors as soon as he is so reasonably aware so that he may recuse himself from such related discussions and/or decisions and resolutions as most appropriate. Further, any future transactions between the Group or any company where Mr. Ching Chiat Kwong and/or Mr. Low See Ching is a director of or has substantial interest in and Aspen (Group) Holdings Limited or its subsidiaries will be done on an arm's length basis. In view of the above, the Nominating Committee is satisfied with the appointment of Mr. Ching Chiat Kwong.
Working experience and occupation(s) during the past 10 years	2010 - to Present: Oxley Holdings Limited - Executive Chairman and Chief Executive Officer 1996 - 2010 to Present: Oxley Construction Pte. Ltd. - Managing Director
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Listing Rule 704(7)) or Appendix 7H (Catalist Rule 704(6))	Yes
Shareholding interest in the listed issuer and its subsidiaries	Deemed interest in 101,340,620 ordinary shares, representing 9.36% of the issued and paid-up share capital of the Company held by Oxley Holdings Limited.

Other Principal Commitments* Including Directorships# **Past (for the last 5 years)** **Present**	**Past** 1. Extra Space AMK Pte. Ltd. 2. Artivision Technologies Ltd. 3. Great Development Pte. Ltd. 4. HG Metal Manufacturing Limited 5. Store4You Pte. Ltd. 6. Clixter Mobile Group Inc. 7. Oxley Australia Management Pty Ltd 8. Oxley Australia Property Holdings Pty Ltd 9. Oxley Land Sdn. Bhd. 10. Oxley Realty Sdn. Bhd. 11. Median Capital Group Sdn. Bhd. 12. Alpha Sunray Sdn. Bhd. 13. Grid Mobile Sdn. Bhd. 14. Boulevard Channel Sdn. Bhd. 15. PT Oxley Karya Indo Batam 16. Oxley Concept Sdn. Bhd. 17. Oxley Jade Sdn. Bhd. 18. Oxley World Sdn. Bhd. 19. Stellar Treasure Sdn. Bhd. 20. Oxley Mosaic Sdn. Bhd. 21. Oxley Treasure Sdn. Bhd. 22. Oxley Zest Sdn. Bhd. 23. Bullish Investment Pte. Ltd. 24. Flitous Properties Limited (merged into Oxley Planetvision Properties Ltd) 25. Jemina Properties Limited (merged into Oxley Planetvision Properties Ltd) 26. Netcell International Pte. Ltd. 27. Ren Ci Hospital 28. World Furnishing Hub Pte. Ltd. 29. Artimedia Holdings Global Pte. Ltd. 30. AOC Acquisitions Pte. Ltd. 31. Metro Global Hospitality Malaysia Sdn. Bhd. 32. Ascend Capital Limited 33. THK Nursing Home Limited 34. Oxley Akasaka Pte. Ltd. 35. Oxley Batam Pte. Ltd. 36. Galliard (Group) Limited 37. Oxley Deanston Acquisition Company Limited 38. Ghl (Nine Elms) Limited 39. Dublin Landings (Car Park Management Designated Activity Company 40. No. 1 Dublin Landings (Management) Company Limited by Guarantee 41. Oxley Vista Pte. Ltd. 42. Oxley Zircon Pte. Ltd. 43. Oxley Petalite Pte. Ltd. 44. OXHM Pte. Ltd. 45. Oxley Module Pte. Ltd.

46. Oxley Niche Pte. Ltd.
47. Oxley Assets Pte. Ltd.
48. Oxley Blossom Pte. Ltd.
49. Orchard Suites Residence Pte. Ltd.

Present

1. CKC Trust Co. Pte. Ltd.
2. Grandeur Fortune Pte. Ltd.
3. Agrivabriant Pte. Ltd.
4. Galaxy Capital Pte. Ltd.
5. Owen Private Limited
6. Oxley & Hume Builders Pte. Ltd.
7. Oxley Otto Pte. Ltd.
8. Ascend Group Pte. Ltd.
9. Oxpay Holdings Pte. Ltd.
10. Oxley China Pte. Ltd.
11. Oxley Vietnam Pte. Ltd.
12. Oxley Malaysia Pte. Ltd.
13. Oxley MTN Pte. Ltd.
14. Oxley Bliss Pte. Ltd.
15. Oxley Holdings Limited
16. Centra Cove Pte. Ltd.
17. Oxley Japan Pte. Ltd.
18. Oxley Sanctuary Pte. Ltd.
19. Oxley Spinel Pte. Ltd.
20. Oxley Gem Pte. Ltd.
21. Oxley UK Pte. Ltd.
22. Metro Global Solutions Pte. Ltd.
23. Oxley Pearl Pte. Ltd.
24. Citrine Property Pte. Ltd.
25. Oxley Serangoon Pte. Ltd.
26. Oxley Onyx Pte. Ltd.
27. Oxley Garnet Pte Ltd.
28. Oxley Fort Pte. Ltd.
29. Oxley Australia Pte. Ltd.
30. Oxley Rising Pte. Ltd.
31. Oxley Mosaic Pte. Ltd.
32. Galaxy Land Pte. Ltd.
33. Oxley Amber Pte. Ltd.
34. Oxley Dublin Pte. Ltd.
35. Hume Homes Pte. Ltd.
36. Oxley Vibrant Pte. Ltd.
37. Oxley Global Pte. Ltd.
38. Oxley Sparkle Pte. Ltd.
39. Oxley Cyprus Pte. Ltd.
40. Oxley Ascend Realty Pte. Ltd.
41. Oxley Quartz Pte. Ltd.
42. Goldprime Land Pte. Ltd.
43. Oxley Beryl Pte. Ltd.
44. Oxley Consortium Pte. Ltd.

45. Oxley Asset Management Pte. Ltd.
46. Oxley Viva Pte. Ltd.
47. Oxley-LBD Pte. Ltd.
48. Oxley London Pte. Ltd.
49. Oxley International Holdings Pte. Ltd.
50. Oxley Opal Pte. Ltd.
51. Oxley Connections Pte. Ltd.
52. Oxley Myanmar Pte. Ltd.
53. SLB-Oxley (NIR) Pte. Ltd.
54. Oxley Rise Pte. Ltd.
55. Oxley Jasper Pte. Ltd.
56. Oxley Amethyst Pte. Ltd.
57. Action Property Pte. Ltd.
58. Rio Casa Venture Pte. Ltd.
59. Oxley Cambodia Pte. Ltd.
60. Oxley Bright Pte. Ltd.
61. Oxley Fund Management Pte.Ltd.(Formerly known as Oxley Druzy Pte. Ltd.)
62. Oxley YCK Pte. Ltd.
63. Oxley Vibes Pte. Ltd.
64. Oxley Topaz Pte. Ltd.
65. Oxley Florence Pte. Ltd.
66. KAP Holdings (China) Pte. Ltd.
67. Oxley Hotel 88 Pte. Ltd.
68. ACPAC Properties Pte. Ltd.
69. Oxley Hotel Pte. Ltd.
70. Oxley Properties Pte. Ltd.
71. Hume Land Pte. Ltd.
72. Oxley Construction Pte Ltd
73. CCK Trust Co. Pte. Ltd.
74. Oxley JV Pte. Ltd.
75. Oxley Blossom Hotel Pte. Ltd.
76. Angeion Medical International Pte. Ltd.
77. Angeion Medical Global Holdings Pte. Ltd.
78. Victori International Pte. Ltd.
79. Thye Hua Kwan Nursing Home Limited
80. Oxley Capital Management Pte. Ltd.
81. Peninsular Teamwork Sdn. Bhd.
82. Oxley Rising Sdn. Bhd.
83. Posh Properties Sdn. Bhd.
84. Oxley Diamond Sdn. Bhd.
85. Oxley Emerald Sdn. Bhd.
86. Oxley Gem Sdn. Bhd.
87. Oxley Holdings (Malaysia) Sdn. Bhd.
88. Oxley Ruby Sdn. Bhd.
89. Oxley Sapphire Sdn. Bhd.
90. Oxley Star Sdn. Bhd.
91. Oxley Consultancy & Management Company Limited

92. Ballymore Deanston Limited (previously Oxley Deanston Limited)
93. Oxley Docklands Quay One Limited
94. Oxley Docklands Quay Two Limited
95. Oxley Emerald (Cambodia) Co, Ltd
96. Oxley Gem (Cambodia) Co, Ltd
97. Oxley Holdings (Cambodia) Co, Ltd
98. Oxley Sapphire (Cambodia) Co, Ltd
99. Oxley Diamond (Cambodia) Co, Ltd
100. Oxley Wharf Limited
101. Oxley Wharf Property 1 Limited
102. Oxley Wharf Property 2 Limited
103. Oxley Wharf Property 3 Limited
104. Oxley Wharf Property 4 Limited
105. Oxley Yangon Company Limited
106. Oxley-Worldbridge (Cambodia) Co, Ltd
107. Sino-Singapore KAP Construction Co., Ltd.
108. Hebei Yue Zhi Real Estate Development Co., Ltd.
109. Hebei Xu Xing Investment Co., Ltd.
110. Gaobeidian City KAP Real Estate Development Co., Ltd.
111. Walker Street No.100 Pty Ltd
112. Oxley Holdings (Cyprus) Limited
113. Oxley Planetvision Properties Ltd
114. Oxley Florence SPA
115. Oxley Australia Pty Ltd
116. Oxley Docklands Quay Three Limited
117. Oxley Wharf Property 8 Limited
118. ANG MO KIO - Thye Hua Kwan Hospital Ltd.
119. Thye Hua Kwan Moral Charities Ltd.
120. Pindan Group Pty Ltd
121. Northbridge Road Pte. Ltd.
122. Oxley Singapore Opportunistic Development Fund Ltd.
123. KAP Hotel Investment
124. Yuedong International Hotel Co., Ltd
125. Connolly Quarter Development Company Limited
126. Oxley Ireland Pte Ltd
127. Oxley Shenton Holdings Pte. Ltd.
128. Oxley Thu Thiem Pte. Ltd.
129. Ballymore Oxley Deanston Holding Company Limited
130. Oxley Wharf Property 9 Limited
131. Oxley Wharf Property 8 Limited
132. Oxley-Worldbridge Asset Management (Cambodia) Co., Ltd.
133. Oxley-Worldbridgeland Asset Management (Cambodia) Co., Ltd.

Disclose the following matters concerning an appointment of director.	
a. **Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?**	No
b. **Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?**	No
c. **Whether there is any unsatisfied judgment against him?**	No
d. **Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?**	No
e. **Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?**	No

f.	**Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?**	No
g.	**Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?**	No
h.	**Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?**	No
i.	**Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?**	No
j.	**Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:–** **(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or** **(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere; or** **(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or**	No

(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?	
k. Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No
Any prior experience as a director of an issuer listed on the Exchange? **If yes, please provide details of prior experience. If no, please state if the director has attended or will be attending training on the roles and responsibilities of a director of a listed issuer as prescribed by the Exchange.** **Please provide details of relevant experience and the nominating committee's reasons for not requiring the director to undergo training as prescribed by the Exchange (if applicable).**	Not applicable as this relates to the re-election of a director

Appendix To The Annual Report For The Financial Year Ended 31 December 2020

DATED 4 APRIL 2021

This Appendix is circulated to shareholders of Aspen (Group) Holdings Limited (the "**Company**") together with the Company's Annual Report. Its purpose is to explain to shareholders the rationale and provide information to shareholders for the proposed renewal of the Share Buy Back Mandate to be tabled at the AGM of the Company to be held on Monday, 26 April 2021 at 10.00 a.m. (Singapore time) by electronic means.

The Notice of AGM is enclosed with the Annual Report.

THIS APPENDIX IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

If you are in any doubt about its contents or the action you should take, you should consult your bank manager, stockbroker, solicitor, accountant or other professional adviser immediately.

Capitalised terms appearing on the cover of this Appendix have the same meanings as defined herein.

If you have sold or transferred all your ordinary shares in the share capital of the Company represented by physical share certificate(s), you should immediately forward this Appendix, the Notice of the Annual General Meeting and the accompanying Proxy Form which are enclosed with the Annual Report for the financial year ended 31 December 2020 to the purchaser or the transferee or to the bank, stockbroker or agent through whom the sale or the transfer was effected, for onward transmission to the purchaser or the transferee.

The SGX-ST assumes no responsibility for the contents of this Appendix, including the correctness of any of the statements or opinions made or reports contained in this Appendix.

LETTER TO SHAREHOLDERS IN RELATION TO THE PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

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In this Appendix, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

"2020 AGM"	:	The annual general meeting of the Company held on 25 June 2020
"2021 AGM"	:	The annual general meeting of the Company to be held on 26 April 2021
"ACRA"	:	Accounting and Corporate Regulatory Authority
"Act" or "Companies Act"	:	Companies Act (Chapter 50) of Singapore, as amended, modified or supplemented from time to time
"AGM"	:	The annual general meeting of the Company
"Appendix"	:	This Appendix to Shareholders in respect of the proposed renewal of the Share Buy Back Mandate
"Associate"	:	(a) in relation to any Director, chief executive officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: i. his immediate family; ii. the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and iii. any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more. (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any company which is its subsidiary or holding company or is a subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
"Board of Directors" or "Board"	:	The board of directors of the Company for the time being
"CDP"	:	The Central Depository (Pte) Limited
"Company"	:	Aspen (Group) Holdings Limited
"Constitution"	:	Constitution of the Company, as amended, supplemented or modified from time to time
"Control"	:	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of the Company
"Controlling Shareholder"	:	A person who: (a) holds directly or indirectly 15% or more of the issued share capital of the Company; or (b) in fact exercises Control over the Company
"Directors"	:	The directors of the Company for the time being
"EGM"	:	The extraordinary general meeting of the Company held on 29 January 2019
"EPS"	:	Earnings per Share
"FY"	:	Financial year of the Company ended or ending 31 December (as the case may be)
"Group"	:	The Company and its subsidiaries
"Latest Practicable Date"	:	25 March 2021, being the latest practicable date prior to the issuance of this Appendix
"Listing Manual"	:	The Listing Manual of the SGX-ST, as amended, supplemented or modified from time to time
"Market Day"	:	A day on which SGX-ST is open for securities trading
"NAV"	:	Net asset value
"NTA"	:	Net tangible assets
"Relevant Period"	:	Has the meaning ascribed to it under Section 3.2 of this Appendix

"Securities Account"	:	The securities account maintained by a Depositor with CDP (but does not include a securities sub-account)
"SFA" or "Securities and Futures Act"	:	The Securities and Futures Act (Chapter 289) of Singapore, as amended or modified from time to time
"SGX-ST"	:	Singapore Exchange Securities Trading Limited
"Shares"	:	Ordinary shares in the share capital of the Company and "Share" shall be construed accordingly
"Shareholders"	:	The registered holders of the Shares in the register of members of the Company, except where the registered holder is CDP, the term "Shareholders" shall, in relation to such Shares and where the context so admits, mean the Depositors whose Securities Accounts are credited with such Shares
"Share Buy Back"	:	The exercise of buy-back(s) of Shares pursuant to the Share Buy Back Mandate
"Share Buy Back Mandate"	:	The general and unconditional mandate given by the Shareholders on 25 June 2020 to authorise the Directors to exercise all the powers of the Company to purchase or otherwise acquire issued Shares within the Relevant Period, in accordance with the terms set out in this Appendix, as well as the rules and regulations set forth in the Companies Act and the Listing Manual
"SIC"	:	Securities and Industry Council of Singapore
"Substantial Shareholder"	:	A person (including a corporation) who holds, directly or indirectly, 5% or more of the total issued share capital of the Company
"Takeover Code"	:	The Singapore Code on Take-overs and Mergers, and all practice notes, rules and guidelines thereunder, as may from time to time be issued or amended
"Treasury Shares"	:	Issued Shares of the Company which was (or is treated as having been) purchased or acquired by the Company in circumstances which Section 76H of the Companies Act applies and has since been continuously held by the Company and "Treasury Share" shall be construed accordingly
Currencies, Units and Others		
"S$", or "cents"	:	Singapore dollars and cents, respectively
"RM", or "RM cents"	:	Malaysian Ringgit and cents, respectively
"%" or "per cent"	:	Per centum or percentage

The terms "Depositor", "Depository Agent" and "Depository Register" shall have the same meanings ascribed to them respectively in Section 81SF of the SFA.

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and vice versa. References to persons shall, where applicable, include corporations.

Any reference in this Appendix to any statute or enactment is a reference to that statute or enactment as for the time being amended or re-enacted. Any word or term defined under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof and used in this Appendix shall, where applicable, has the meaning ascribed to it under the Companies Act, the SFA, the Listing Manual or any statutory modification thereof, as the case may be, unless otherwise provided.

Any reference to a time of day in this Appendix shall be a reference to Singapore time, unless otherwise stated. Any discrepancies in this Appendix between the amounts listed and the total thereof are due to rounding. Accordingly, figures shown as totals in this Appendix may not be an arithmetic aggregation of the figures which precede them. Directors:

Directors:		**Registered Office:**
Dato' Murly Manokharan	President and Group Chief Executive Officer	80 Robinson Road #02-00 Singapore 068898
Dato' Seri Nazir Ariff Bin Mushir Ariff	Executive Deputy Chairman	
Mr. Cheah Teik Seng	Chairman and Independent Non-Executive Director	
Ir. Anilarasu Amaranazan	Group Managing Director	
Dato' Alan Teo Kwong Chia	Independent Non-Executive Director	
Dato' Choong Khuat Seng	Independent Non-Executive Director	
Dr. Lim Su Kiat	Non-Independent Non-Executive Director	
Mr. Ching Chiat Kwong	Non-Independent Non-Executive Director	
Mr. Low See Ching (Liu Shijin)	Alternate Director to Mr. Ching Chiat Kwong	

4 April 2021

To: The Shareholders of Aspen (Group) Holdings Limited

Dear Shareholders,

1. INTRODUCTION

The Company will be holding its 2021 AGM on 26 April 2021, 10:00 a.m. (Singapore time) by way of electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.

The purpose of this Appendix is to provide Shareholders with information relating to, and to seek Shareholders' approval for, the renewal of the Share Buy Back Mandate to be tabled at the 2021 AGM. The Notice of AGM is published on the SGX website at the URL ***https://www.sgx.com/securities/company-announcements*** and may be accessed at the Company's website at the URL ***https://aspen.listedcompany.com/newsroom.html.***

The SGX-ST takes no responsibility for the contents of this Appendix, including the accuracy, completeness or correctness of any of the information, statements or opinions made or reports contained in this Appendix.

2. THE PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

2.1 The Proposed Renewal of the Share Buy Back Mandate

The Shareholders had first approved the Share Buy Back Mandate at the EGM to enable the Company to purchase or otherwise acquire Shares. The Share Buy Back Mandate was renewed at the 2020 AGM. As the Share Buy Back Mandate will expire on the date of the forthcoming 2021 AGM, the Directors propose that the Share Buy Back Mandate be renewed at the 2021 AGM.

Any purchase or acquisition of Shares by the Company would have to be made in accordance with, and in the manner prescribed by, the Companies Act and the Listing Manual and such other laws and regulations as may for the time being be applicable. Regulation 13(B) of the Constitution expressly permits the Company to purchase its issued Shares.

If approved by Shareholders at the 2021 AGM, the authority conferred by the Share Buy Back Mandate will take effect from the date of the 2021 AGM at which the renewal of the Share Buy Back Mandate has been approved ("**Renewal Date**") and continue to be in force until the date on which the next AGM of the Company is held or required to be held; the date on which the Share Buy Backs are carried out to the full extent mandated; or the date on which the authority contained in the Share Buy Back Mandate is varied or revoked by the Shareholders in a general meeting, whichever is the earliest, and may be renewed by Shareholders in a general meeting.

Subject to its continued relevance to the Company, the Share Buy Back Mandate will be put to Shareholders for renewal at each subsequent AGM of the Company.

2.2 Rationale for the Share Buy Back Mandate

The Share Buy Back Mandate will give the Company the flexibility to purchase or otherwise acquire its Shares if and when circumstances permit. The Directors believe that Share Buy Back would allow the Company and its Directors to better manage the Company's share capital structure, dividend payout and cash reserves. In addition, it also provides the Directors a mechanism to facilitate the return of surplus cash over and above the Company's ordinary capital requirements in an expedient and cost-efficient manner, and the opportunity to exercise control over the Company's share capital structure with a view to enhance the EPS and/or NAV per Share of the Group.

The Directors further believe that Share Buy Back by the Company will help mitigate short-term market volatility, offset the effects of short-term speculation and bolster Shareholders' confidence.

If and when circumstances permit, the Directors will decide whether to effect the Share Buy Back via market purchases or off- market purchases, after taking into account the amount of surplus cash available, the prevailing market conditions and the most cost-effective and efficient approach. The Directors do not propose to carry out the Share Buy Back to an extent that would, or in circumstances that might, result in a material adverse effect on the liquidity and/or the orderly trading of the Shares and/or the financial position of the Company or the Group.

3. TERMS OF THE SHARE BUY BACK MANDATE

The authority and limitations placed on purchases and acquisitions of the Shares by the Company under the Share Buy Back Mandate, if renewed at the 2021 AGM, are summarised below:

3.1 Maximum Number of Shares

Only Shares which are issued and fully paid-up may be purchased or acquired by the Company.

The total number of Shares that may be purchased or acquired by the Company pursuant to the Share Buy Back Mandate during the Relevant Period is limited to that number of Shares representing not more than 10% of the issued share capital of the Company, ascertained as at the date of the 2021 AGM at which the Share Buy Back Mandate is renewed (the "**Approval Date**"), unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Act, at any time during the Relevant Period, in which event the total number of Shares of the Company shall be taken to be the total number of Shares of the Company as altered. For purposes of calculating the percentage of issued shares above, any of the Shares which are held as Treasury Shares and subsidiary holdings (if applicable) will be disregarded.

For illustrative purposes only, based on the existing issued and paid-up share capital of the Company as at the Latest Practicable Date of 1,083,269,594 Shares, excluding 47,800 Treasury Shares held by the Company and no subsidiary holdings, and assuming that no further shares are issued at or prior to the 2021 AGM, not more than 108,326,959 Shares (representing ten per cent (10%) of the issued and paid-up share capital of the Company) may be purchased or acquired by the Company pursuant to the Share Buy Back Mandate during the duration referred to under Section 3.2 below.

3.2 Duration of Authority

Purchases or acquisitions of Shares may be made at any time and from time to time, on and from the Renewal Date, up to the earlier of:

(a) the conclusion of the next AGM or the date by which such AGM is required by law or the Constitution to be held; or

(b) the date on which the Share Buy Back is carried out to the full extent mandated; or

(c) the date on which the authority conferred by the Share Buy Back Mandate is varied or revoked by the Shareholders in a general meeting;

(hereinafter referred to as "**Relevant Period**"). The authority conferred by the Share Buy Back Mandate to purchase or acquire Shares may be renewed at each AGM or any other general meeting of the Company. When seeking the approval of the Shareholders for the renewal of the Share Buy-Back Mandate, the Company is required to disclose details pertaining to any Share Buy Back made during the previous twelve (12) months, including the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for such Share Buy Back, where relevant, and the total consideration paid for such Share Buy Back.

3.3 Manner of Purchase or Acquisition of Shares

Purchases or acquisitions of Shares may be made by way of:

(a) on-market purchases ("**Market Purchase**"), transacted on the SGX-ST through the ready market and which may be transacted through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or

(b) off-market purchases ("**Off-Market Purchase**") (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as defined in Section 76C of the Companies Act and which will satisfy all the conditions prescribed by the Constitution, Companies Act and the Listing Manual.

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy Back Mandate, the Listing Manual, Constitution and the Companies Act as they consider fit in the interest of the Company in connection with or in relation to any equal access scheme(s).

An Off-Market Purchase must, however, satisfy all the following conditions:

(a) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to

(b) all of those persons shall be given a reasonable opportunity to accept the offers made to them; and

(c) the terms of all the offers shall be the same, except that there shall be disregarded:

i. differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements;

ii differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and

iii. differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

In addition, the Listing Manual provides that, in making an Off-Market Purchase, the Company must issue an offer document to all Shareholders, which must contain at least the following information:

(a) the terms and conditions of the offer;

(b) the period and procedures for acceptances;

(c) the reasons for the proposed Share Buy Back;

(d) the consequences, if any, of the Share Buy Back by the Company that will arise under the Takeover Code or other applicable take-over rules;

(e) whether the Share Buy Back, if made, would have any effect on the listing of the Shares on the SGX-ST;

(f) details of any Share Buy Back made by the Company in the previous twelve (12) months (whether by way of Market Purchases or Off-Market Purchases in accordance with an equal access scheme(s)), setting out the total number of Shares purchased or acquired, the purchase price per Share or the highest and lowest prices paid for the purchases or acquisitions, where relevant, and the total consideration paid for the purchases or acquisitions; and

(g) whether the Shares purchased or acquired by the Company will be cancelled or kept as Treasury Shares.

3.4 Maximum Purchase Price

The purchase price (including brokerage, stamp duties, commission, applicable goods and services tax and other related expenses) to be paid for the Shares will be determined by the Directors.

However, the purchase price to be paid for the Shares must not exceed:

(a) in the case of a Market Purchase, 105% of the Average Closing Price (as defined hereinafter); and

(b) in the case of an Off-Market Purchase pursuant to an equal access scheme, 120% of the Average Closing Price (as defined hereinafter).

(the "**Maximum Price**") in either case, including related expenses of the purchase or acquisition.

For the above purposes:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five (5) Market Days, on which transactions in the Shares were recorded, immediately preceding the day of the Market Purchase by the Company or, as the case may be, preceding the day of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted for any corporate action that occurs during the relevant five (5)-Market Day period and the day on which the purchases are made.

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase or acquisition of Shares from Shareholders, stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme(s) for effecting the Off-Market Purchase.

4. STATUS OF PURCHASED SHARES UNDER THE SHARE BUY BACK MANDATE

At the time of each purchase of Shares by the Company, the Directors will decide whether the Shares purchased or acquired will be cancelled or kept as Treasury Shares, or partly cancelled and partly kept as Treasury Shares, depending on the needs of the Company at that time.

4.1 Cancellation

A Share purchased or acquired by the Company is, unless held as a Treasury Share in accordance with the Companies Act, treated as cancelled immediately on purchase or acquisition. On such cancellation, all rights and privileges attached to the Share will expire on cancellation.

The total number of issued Shares will be diminished by the number of Shares which are purchased or acquired and cancelled by the Company. All Shares purchased or acquired and cancelled by the Company will be automatically delisted by the SGX-ST, and (where applicable) all certificates in respect thereof will be cancelled and destroyed by the Company as soon as reasonably practicable following the settlement of any such purchase or acquisition or cancellation.

4.2 Treasury Shares

Under the Companies Act, a company may hold shares so purchased or acquired as treasury shares provided that:

(a) Maximum Holdings

The number of Shares held as Treasury Shares cannot at any time exceed 10% of the total number of issued Shares. Any Shares in excess of this limit shall be disposed of or cancelled in accordance with Section 76K of the Companies Act within six (6) months or such further periods as ACRA may allow.

(b) Voting and Other Rights

The Company cannot exercise any right in respect of Treasury Shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the Treasury Shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of Treasury Shares. However, the allotment of Shares as fully paid bonus shares in respect of Treasury Shares is allowed. A subdivision of any Treasury Shares into Treasury Shares of a larger amount, or consolidation of any Treasury Shares into Treasury Shares of a smaller amount, is also allowed so long as the total value of the Treasury Shares after the subdivision or consolidation is the

(c) Disposal and Cancellation

Where Shares are held as Treasury Shares, the Company may at any time:

i. sell the Treasury Shares for cash;

ii. transfer the Treasury Shares for the purposes of, or pursuant to any share schemes of the Company, whether for employees, directors or other persons;

iii. transfer the Treasury Shares as consideration for the acquisition of Shares in, or assets of, another company or assets of a person;

iv. cancel the Treasury Shares; or

v. sell, transfer or otherwise use the Treasury Shares for such other purposes as may be prescribed by the Minister for Finance of Singapore.

4.3 Requirements of Listing Manual

The Company, upon undertaking any sale, transfer, cancellation and/or use of Treasury Shares, will comply with Rule 704(28) of the Listing Manual, which provides that an issuer must make an immediate announcement thereof, stating the following:

(a) date of the sale, transfer, cancellation and/or use;

(b) purpose of such sale, transfer, cancellation and/or use;

(c) number of Treasury Shares sold, transferred, cancelled and/or used;

(d) number of Treasury Shares before and after such sale, transfer, cancellation and/or use;

(e) percentage of the number of Treasury Shares against the total number of Shares outstanding in a class that is listed before and after such sale, transfer, cancellation and/or use; and

(f) value of the Treasury Shares if they are used for a sale or transfer, or cancelled.

5. SOURCE OF FUNDS FOR SHARE BUY-BACK

The Company may only apply funds for the Share Buy Back Mandate in accordance with the Companies Act, Constitution and the applicable laws in Singapore. The Company may not buy Shares for a consideration other than cash or, in the case of a Market Purchase, for settlement otherwise than in accordance with the Listing Manual. As stated in the Companies Act, the Share Buy Back may be made out of the Company's profits or capital so long as the Company is solvent.

Pursuant to Section 76F(4) of the Companies Act, the Company is solvent if (a) there is no ground on which the company could be found to be unable to pay its debts; (b) if (i) it is intended to commence winding up of the company within the period of 12 months immediately after the date of the payment, the company will be able to pay its debts in full within the period of 12 months after the date of commencement of the winding up; or (ii) it is not intended so to commence winding up, the company will be able to pay its debts as they fall due during the period of 12 months immediately after the date of the payment; and (c) the value of the company's assets is not less than the value of its liabilities (including contingent liabilities) and will not, after the proposed purchase, acquisition, variation or release (as the case may be), become less than the value of its liabilities (including contingent liabilities).

In determining whether the Company is solvent, the Directors must have regard to the most recently audited financial statements, other relevant circumstances, and may rely on valuations or estimates of assets or liabilities. In determining the value of contingent liabilities, the Directors may take into account the likelihood of the contingency occurring, as well as any counter-claims by the Company.

When Shares are purchased or acquired, and cancelled:

(a) if the Shares are purchased or acquired entirely out of the capital of the Company, the Company shall reduce the amount of its share capital by the total amount of the purchase price paid by the Company for the Shares (including brokerage, stamp duties, commission, applicable goods and services tax, clearance fees and other related expenses) (the "**Purchase Price**") and the amount available for the distribution of dividends by the Company will not be reduced;

(b) if the Shares are purchased or acquired entirely out of profits of the Company, the Company shall reduce the amount of its profits and the amount available for distribution of dividends by the Purchase Price; or

(c) where the Shares are purchased or acquired out of both the capital and the profits of the Company, the Company shall reduce the amount of its share capital and profits proportionately by the Purchase Price.

The Company may use internal resources and/or external borrowings to finance purchases and acquisitions of its Shares pursuant to the Share Buy Back Mandate.

The Directors do not propose to exercise the Share Buy Back Mandate in a manner and to such extent that the liquidity and capital adequacy position of the Group would be materially and adversely affected.

6. TAKE-OVER IMPLICATIONS UNDER THE TAKEOVER CODE

An increase of a Shareholder's proportionate interest in the voting rights of the Company resulting from a Share Buyback by the Company will be treated as an acquisition for the purposes of Rule 14 of the Singapore Code of Takeovers and Mergers (the "**Code**").

6.1 Obligation to make a Take-over Offer

Under Rule 14 of the Code, a Shareholder and persons acting in concert with the Shareholder will incur an obligation to make a mandatory takeover offer if, inter alia, he and persons acting in concert with him increase their voting rights in the Company to thirty per cent (30%) or more or, if they, together hold between thirty per cent (30%) and fifty per cent (50%) of the Company's voting rights, increase their voting rights in the Company by more than one per cent (1%) in any period of six (6) months.

6.2 Persons Acting in Concert

Under the Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate control of that company. Unless the contrary is established, the following persons will, inter alia, be presumed to be acting in concert:

(a) a company with its parent company, subsidiaries, its fellow subsidiaries, any associated companies of the above companies and any company whose associated companies include any of the above companies;

(b) a company with any of its directors, together with their close relatives, related trusts and any companies controlled by its directors, their close relatives and related trusts;

(c) a company with any of its pension funds and employee share schemes;

(d) a person with any investment company, unit trust or other fund in respect of the investment account which such person manages on a discretionary basis;

(e) a financial or other professional adviser, with its clients in respect of the shareholdings of the adviser and the persons controlling, controlled by or under the same control as the adviser and all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total ten per cent (10%) or more of the client's equity share capital;

(f) directors of a company, together with their closed relatives, related trusts and companies controlled by any of them, which is subject to an offer or where they have reason to believe a bona fide offer for their company may be imminent;

(g) partners;

(h) an individual, his close relatives, his related trusts, and any person who is accustomed to act according to instructions and companies controlled by any of the above and any person who has provided financial assistance (other than bank in the ordinary course of business) to any of the above for the purpose of voting rights;

(i) any person who has provided financial assistance (other than a bank in its ordinary course of business) to any of the above for the purchase of voting rights.

For this purpose, ownership or control of at least twenty per cent (20%) but not more than fifty per cent (50%) of the voting rights of a company will be regarded as the test of associated company status.

The circumstances under which Shareholders (including Directors) and persons acting in concert with them will incur an obligation to make a takeover offer under Rule 14 of the Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Code (“**Appendix 2**”).

6.3 Effect of Rule 14 and Appendix 2

In general terms, the effect of Rule 14 and Appendix 2 is that:

(a) unless exempted, directors of a company and persons acting in concert with them will incur an obligation to make a takeover offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such directors and their concert parties would increase to thirty per cent (30%) or more, or if the voting rights of such directors and their concert parties fall between thirty per cent (30%) and fifty per cent (50%) of the Company's voting rights, the voting rights of such directors and their concert parties would increase by more than one per cent (1%) in any period of six (6) months; and

(b) a Shareholder who is not acting in concert with directors will not be required to make a takeover offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder in the Company would increase to thirty per cent (30%) or more, or if the voting rights of such directors and their concert parties fall between thirty per cent (30%) and fifty per cent (50%) of the company's voting rights, the voting rights of such Shareholder would increase by more than one per cent (1%) in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate

6.4 Application of the Singapore Code on Takeovers and Mergers

Details of the shareholdings of the Directors and Substantial Shareholders as at the Latest Practicable Date are set out in Section 13 below.

As at the Latest Practicable Date, Aspen Vision Group Sdn. Bhd is the Controlling Shareholder of the Company holding 495,602,146 Shares, representing 45.75% interest in the issued and paid up share capital of the Company. Intisari Utama Sdn. Bhd. is a Shareholder of the Company holding 10,275,806 Shares, representing approximately 0.95% of the issued and paid-up share capital of the Company. Dato' Murly Manokharan holds 64.76% and 100% of the ordinary shares of Aspen Vision Group Sdn. Bhd. and Intisari Utama Sdn. Bhd. respectively.

Definition 1(b) of the Code provides that a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts) will be presumed to be persons acting in concert with each other unless the contrary is established. Accordingly, Dato' Murly Manokharan, Aspen Vision Group Sdn. Bhd and Intisari Utama Sdn. Bhd are presumed to be persons acting in concert with each other (collectively the "**Concert Parties**"), unless the contrary is established.

As at the Latest Practicable Date, the Concert Parties collectively hold an aggregate of 505,877,952 Shares representing approximately 46.70% of the total number of issued Shares of the Company.

Assuming that the Company purchases the maximum of 108,326,959 Shares (being ten per cent (10%) of its issued Shares excluding Treasury Shares and subsidiary holdings) pursuant to the Share Buyback Mandate and that such Shares are cancelled upon purchase, and assuming further that there is no change in the number of Shares held by the Concert Parties, the aggregate interests of the Concert Parties would increase from 46.70% to 51.89% of the issued share capital of the Company.

Accordingly, under the Take-over Code, the Concert Parties, unless exempted, will become obliged to make a general offer under the Take-over Code for the Shares not owned by them, if as a result of the exercise of the Share Buyback Mandate, their interest in the voting rights of the Company increase by more than one (1%) within a six (6) month period.

6.5 Exemption under Appendix 2 of the Take-over Code and conditions for exemption from having to make a general offer under Rule 14 of the Take-over Code

Section 3(a) of Appendix 2 of the Take-over Code sets out the conditions for exemption from the obligation to make a general offer under Rule 14 of the Take-over Code in the case of directors and persons acting in concert with them incurring such an obligation as a result of a listed company making a market acquisition under Section 76E of the Companies Act or an off-market acquisition on an equal access scheme under Section 76C of the Companies Act.

Shareholders should therefore note that by voting for the Share Buyback Mandate, they are waiving their rights to a take-over offer by the Concert Parties in the circumstances set out above. Such take-over offer, if required to be made and had not been exempted by the Securities Industry Council (the "SIC"), would have to be made in cash or be accompanied by a cash alternative at the higher of, excluding stamp duty and commission, (a) the highest price paid by the Concert Parties for any Shares within the preceding six (6) months or (b) the highest price paid by the Company for its own Shares in the preceding six (6) months.

Accordingly, the Concert Parties will be exempted from the obligation to make a general offer under Rule 14 of the Take-over Code as a result of a listed company making a market acquisition under Section 76E of the Companies Act or an off-market acquisition on an equal access scheme under Section 76C of the Companies Act, subject to the following conditions:

(a) the circular to Shareholders on the resolution to authorise the Share Buyback Mandate contains advice to the effect that by voting for the Share Buyback Mandate resolution, Shareholders are waiving their right to a general offer at the required price from the Concert Parties who, as a result of the Company buying back its Shares, would increase their voting rights by more than one per cent (1%) in any period of six (6) months, and the names of the Concert Parties, their voting rights at the time of the resolution and after the proposed Share Buyback to be disclosed in the same circular;

(b) the resolution to authorise the Share Buyback Mandate to be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer as a result of the Share Buyback;

(c) the Concert Parties to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the Share Buyback Mandate;

(d) within seven (7) days after the passing of the resolution to authorise a Share Buyback, Dato' Murly Manokharan to submit to the SIC a duly signed form as prescribed by the SIC; and

(e) the Concert Parties, together holding between thirty per cent (30%) and fifty per cent (50%) of the company's voting rights, not to have acquired and not to acquire any shares between the date on which they know that the announcement of the share buy-back proposal is imminent and the earlier of:

    i. the date on which the authority of the share buy-back expires; and

    ii. the date on which the company announces it has bought back such number of shares as authorised by Shareholders at the latest general meeting or it has decided to cease buying back its shares, as the case may be,

if such acquisitions, taken together with the buy-back, would cause their aggregate voting rights to increase by more than one per cent (1%) in the preceding six (6) months.

It follows that where the aggregate voting rights held by a director and persons acting in concert with him increase by more than one per cent (1%) solely as a result of the share buyback and none of them has acquired any shares during the Relevant Period defined above, then such director and/or persons acting in concert with him would be eligible for the SIC's exemption from the requirement to make a general offer under Rule 14 of the Code, or where such exemption had been granted, would continue to enjoy the exemption.

6.6 Waiver

Shareholders should note that by voting for the Share Buyback Mandate, they are waiving their rights to a takeover offer by the Concert Parties in the circumstances set out above. Such a takeover offer, if required to be made and had not been exempted by SIC or such exemption granted is subsequently invalidated, would have to be made in cash or be accompanied by a cash alternative at the higher of (a) the highest price paid by the Concert Parties for any Share in the preceding six (6) months or (b) the highest price paid by the Company for its own Shares in the preceding six (6) months.

6.7 Voting to be on a poll

Appendix 2 of the Code requires that the resolution to authorise the Share Buyback Mandate be approved by a majority of those Shareholders present and voting at the meeting on a poll who could not become obliged to make an offer under the Take-over Code as a result of the Share Buyback Mandate. Accordingly, the ordinary resolution relating to the Share Buyback Mandate set out in the Notice of AGM is proposed to be taken on a poll and the Concert Parties shall abstain from voting on the ordinary resolution.

Save as disclosed above, as at the Latest Practicable Date, the Directors confirm that they are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting shares in the capital of the Company should or ought to be consolidated, and consequences under the Code would ensue as a result of a purchase of Shares by the Company pursuant to the Share Buyback Mandate.

Shareholders are advised to consult their professional advisers and/or the SIC and/or other relevant authorities at the earliest opportunity as to whether an obligation on their part, if any, to make a mandatory take-over offer under the Take-over Code would arise by reason of any Share Buyback by the Company.

7. FINANCIAL IMPACT

7.1 Assumptions

It is not possible for the Company to realistically calculate or quantify the impact of purchases that may be made pursuant to the Share Buy Back Mandate on the financial effects as it would depend on factors such as the aggregate number of Shares purchased or acquired, the purchase prices paid at the relevant time, and the amount (if any) borrowed by the Company to fund the purchases or acquisitions, whether the purchase or acquisition is made out of profits or capital, and whether the Shares purchased are held in treasury or cancelled. The financial effects presented in this Section of this Appendix are based on the assumptions set out below:

(a) Information as at the Latest Practicable Date

The Company has 1,083,269,594 Shares (excluding treasury shares and subsidiary holdings). The Company holds 47,800 Treasury Shares and there are no subsidiary holdings.

(b) Illustrative Financial Effects

Purely for illustrative purposes, on the basis of 1,083,269,594 Shares in issue as at the Latest Practicable Date (excluding Treasury Shares and subsidiary holdings) and assuming no further Shares are issued and no Shares are held by the Company as Treasury Shares and there are no subsidiary holdings on or prior to the AGM, the purchase or acquisition by the Company of 10% of its issued Shares will result in the purchase or acquisition of 108,326,959 Shares.

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 108,326,959 Shares at the Maximum Price of S$0.2342 for each Share (being the price equivalent to 105% of the Average Closing Price of the Shares for the five (5) consecutive trading Market Days on which the Shares were traded on SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 108,326,959 Shares is approximately RM78.05 million based on an exchange rate of RM3.0766 : S$1.00.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 108,326,959 Shares at the Maximum Price of S$0.2676 for each Share (being the price equivalent to 120% of the Average Closing Price of the Shares for the five (5) consecutive trading Market Days on which the Shares were traded on SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 108,326,959 Shares is approximately RM89.19 million based on an exchange rate of RM3.0766: S$1.00;

(c) the Share Buy Back in a Market Purchase will be funded by the Company from its internal funds and the Share Buy Back in an Off-Market Purchase will be funded by the Company from a combination of both its internal funds and external borrowings;

(d) the purchase or acquisition of Shares pursuant to the Share Buy Back Mandate had taken place on 31 December 2020 for the purpose of computing the financial effects on the EPS of the Group;

(e) the purchase or acquisition of Shares pursuant to the Share Buy Back Mandate had taken place on 31 December 2020 for the purpose of computing the financial effects on Shareholders' equity, NTA per Share and gearing of the Company and the Group; and

(f) transaction costs incurred for the purchase or acquisition of Shares pursuant to the Share Buy Back Mandate are insignificant and are ignored for the purpose of computing the financial effects.

7.2 Pro Forma Financial Effects

For illustrative purposes only and on the basis of the assumptions set out above and assuming that the Share Buy Back will be funded by the Company from its internal funds and/or external borrowings, the financial effects of:

(a) the acquisition of 10% of the issued Shares, excluding Treasury Shares and subsidiary holdings, comprising 108,326,959 Shares as at the Latest Practicable Date by the Company in a Market Purchase or Off-Market Purchase pursuant to the Share Buy Back Mandate by way of purchases or acquisitions made entirely out of capital and held as treasury shares ("**Scenario A**"); and

(b) the acquisition of 10% of the issued Shares, excluding Treasury Shares and subsidiary holdings, comprising 108,326,959 Shares as at the Latest Practicable Date, by the Company in a Market Purchase or Off-Market Purchase pursuant to the Share Buy Back Mandate by way of purchases or acquisitions made entirely out of capital and cancelled ("**Scenario B**"),

on the audited financial statements of the Group and the Company for the financial year ended 31 December 2020 ("**FY2020**") are set out below.

Based on the audited financial statements of the Group and the Company for FY2020, the Company and the Group does not have sufficient distributable profits to effect the Share Buy Back. As such, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Buy Back Mandate by way of Market Purchases and Off-Market Purchases made entirely out of profits is not disclosed in this Appendix.

SCENARIO A
(AS AT 31 DECEMBER 2020)

	Group			Company		
(RM'000)	**Before Share Buy Back**	**After Market**	**After Off-Market**	**Before Share Buy Back**	**After Market**	**After Off-Market Purchase**
Share Capital	316,786	316,786	316,786	316,786	316,786	316,786
Reserves	37,442	37,442	37,442	–	–	–
Retained Earnings	212,106	212,106	212,106	(9,058)	(9,058)	(9,058)
Translation Reserve	(30)	(30)	(30)	–	–	–
Treasury Shares	(21)	(78,075)	(89,206)	(21)	(78,075)	(89,206)
Total Shareholders' Equity	566,283	488,229	477,098	307,707	229,653	218,522
NTA	566,283	488,229	477,098	307,707	229,653	218,522
Current Assets	783,844	705,790	739,252	120,620	91,472	91,472
Current Liabilities	470,389	470,389	514,982	30,883	79,789	90,920
Working Capital	313,455	235,401	224,270	89,737	11,683	552
Total Borrowings	496,382	496,382	540,975	28,091	28,091	72,684
Cash and cash equivalents	86,565	8,511	41,973	29,148	–	–
Number of issued shares ('000) (1)	1,083,270	974,943	974,943	1,083,270	974,943	974,943
Number of Treasury Shares ('000)	48	108,375	108,375	48	108,375	108,375
Weighted average of shares ('000)	1,012,616	992,395	992,395	1,012,616	992,395	992,395
Profit for the period attributable to shareholders	72,731	72,731	72,731	(8,917)	(8,917)	(8,917)
Financial Ratios						
NTA per share (RM cents) (2)	52.28	50.08	48.94	28.41	23.56	22.41
Gearing (times) (3)	0.88	1.02	1.13	0.09	0.12	0.33
Current Ratio (times)	1.67	1.50	1.44	3.91	1.15	1.01
Basic EPS (RM cents) (4)	7.18	7.33	7.33	(0.88)	(0.90)	(0.90)

SCENARIO B
(AS AT 31 DECEMBER 2020)

(RM'000)	Group			Company		
	Before Share Buy Back	After Market	After Off-Market	Before Share Buy Back	After Market	After Off-Market Purchase
Share Capital	316,786	283,732	227,601	316,786	283,732	227,601
Reserves	37,442	37,442	37,442	–	–	–
Retained Earnings	212,106	212,106	212,106	(9,058)	(9,058)	(9,058)
Translation Reserve	(30)	(30)	(30)	–	–	–
Treasury Shares	(21)	(21)	(21)	(21)	(21)	(21)
Total Shareholders' Equity	566,283	488,229	477,098	307,707	229,653	218,522
NTA	566,283	488,229	477,098	307,707	229,653	218,522
Current Assets	783,844	705,790	739,252	120,620	91,472	91,472
Current Liabilities	470,389	470,389	514,982	30,883	79,789	90,920
Working Capital	313,455	235,401	224,270	89,737	11,683	552
Total Borrowings	496,382	496,382	540,975	28,091	28,091	72,684
Cash and cash equivalents	86,565	8,511	41,973	29,148	–	–
Number of issued shares ('000) [(1)]	1,083,270	974,943	974,943	1,083,270	974,943	974,943
Number of Treasury Shares ('000)	48	48	48	48	48	48
Weighted average of shares ('000)	1,012,616	992,395	992,395	1,012,616	992,395	992,395
Profit for the period attributable to shareholders	72,731	72,731	72,731	(8,917)	(8,917)	(8,917)
Financial Ratios						
NTA per share (RM cents) [(2)]	52.28	50.08	48.94	28.41	23.56	22.41
Gearing (times) [(3)]	0.88	1.02	1.13	0.09	0.12	0.33
Current Ratio (times)	1.67	1.50	1.44	3.91	1.15	1.01
Basic EPS (RM cents) [(4)]	7.18	7.33	7.33	(0.88)	(0.90)	(0.90)

Notes:
(1) Based on the issued share capital of 108,326,959 Shares (excluding Treasury Shares and subsidiary holdings) as at the Latest Practicable Date.
(2) NTA per Share equals to equity attributable to owners of the Company divided by the number of Shares outstanding (excluding Treasury Shares and subsidiary holdings) as at the Latest Practicable Date.
(3) Gearing equals to total borrowings divided by total equity.
(4) EPS equals to profit attributable to owners of the Company divided by the weighted average number of Shares outstanding (excluding Treasury Shares and subsidiary holdings) during FY2020.

The actual impact will depend on the number and price of the Shares bought back. As stated, the Directors do not propose to exercise the Share Buy Back Mandate to such an extent that it would have a material adverse effect on the working capital requirements and/or gearing of the Group. The purchase or acquisition of the Shares will only be effected after considering relevant factors such as the working capital requirement, availability of financial resources, the expansion and investment plans of the Group, and the prevailing market conditions. The Share Buy Back Mandate will be exercised with a view to enhance the EPS and/or NAV per Share of the Group.

Shareholders should note that the financial effects illustrated above, based on the respective aforesaid assumptions, are for illustrative purposes only. In particular, it is important to note that the above analysis is based on the audited financial statements of the Company and the Group for FY2020, and is not necessarily representative of the future financial performance of the Company and the Group.

It should be noted that although the Share Buy Back Mandate would authorise the Company to purchase or otherwise acquire up to 10% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or otherwise acquire the entire 10% of the issued Shares. In addition, the Company may cancel, or hold as Treasury Shares, all or part of the Shares purchased or otherwise acquired. The Company will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Shares) in assessing the relative impact of a Share Buy Back before execution.

8. TAXATION

Shareholders who are in doubt as to their respective tax positions or any such tax implications or who may be subject to tax in a jurisdiction other than Singapore should consult their own professional advisors.

9. INTERESTED PERSONS

The Company is prohibited from knowingly buying Shares from an interested person, that is, a Director, the chief executive officer of the Company or Controlling Shareholder of the Company or any of their Associates, and an interested person is prohibited from knowingly selling his/her Shares to the Company.

10. REPORTING REQUIREMENTS UNDER COMPANIES ACT

Within 30 days of the passing of a Shareholders' resolution to approve the purchases or acquisitions of Shares by the Company, the Company shall lodge a copy of such resolution with ACRA. Within 30 days of a purchase or acquisition of Shares, the Company shall lodge with ACRA the notice of the purchase or acquisition in the prescribed form, such notification including, inter alia, details of the purchase or acquisition, the total number of Shares purchased or acquired by the Company, the total number of Shares cancelled, the number of Shares held as treasury shares, the Company's issued ordinary share capital before the purchase or acquisition and after the purchase or acquisition of Shares, the amount of consideration paid by the Company for the purchase or acquisition, and whether the Shares were purchased or acquired out of the profits or the capital of the Company.

Within thirty (30) days of the cancellation or disposal of Treasury Shares in accordance with the provisions of the Companies Act, the Directors shall lodge with the Registrar the notice of cancellation or disposal of Treasury Shares in the prescribed form.

11. MAINBOARD RULES RELATING TO THE ACQUISITION OF SHARES

11.1 The Mainboard Rules provide that a listed company shall report all purchases or acquisitions of its Shares to SGX-ST not later than 9.00 a.m. (Singapore time):

(a) in the case of a Market Purchase, on the Market Day following the day of purchase or acquisition of any of its Shares; and

(b) in the case of an Off-Market Purchase under an equal access scheme, on the second Market Day after the close of acceptances of the offer.

Such announcement must include details of the total number of Shares purchased and the purchase price per Share or the highest and lowest prices paid for such Shares, as applicable.

11.2 While the Mainboard Rules do not expressly prohibit any buyback of shares by a listed company of its own shares during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase of its issued shares, the Company will not undertake any buyback of Shares pursuant to the proposed Share Buyback Mandate at any time after any matter or development of a price sensitive nature has occurred or has been the subject of a decision until such price sensitive information has been publicly announced. In particular, in line with the best practices guide on securities dealings issued by SGX-ST, the Company will not purchase or acquire any shares pursuant to the proposed Share Buyback Mandate during the period commencing one (1) month immediately preceding the announcement of the Company's financial statements of its full-year and ending on the date of the announcement of the relevant results.

11.3 The Mainboard Rules also require a listed company to ensure that at least ten per cent (10%) of its Shares is at all times held by the public Shareholders. The "public", as defined under the Mainboard Rules, are persons other than the directors, substantial shareholders, chief executive officers or controlling shareholders of the company and its subsidiaries, as well as Associates of such persons.

As at the Latest Practicable Date, 362,029,826 Shares representing 33.41% of the issued share capital of the Company are held by public Shareholders. In the event that the Company purchases the maximum of ten per cent (10%) of its issued ordinary share capital from such public Shareholders, the resultant percentage of the issued Shares held by the public Shareholders would be reduced to approximately 26.01%. Accordingly, the Company is of the view that there is, at present, a sufficient number of Shares in public hands that would permit the Company to potentially undertake buybacks of the Shares up to the full ten per cent (10%) limit pursuant to the proposed Share Buyback Mandate without affecting adversely the listing status of the Shares on SGX-ST.

The Company does not have any individual shareholding limit or foreign shareholding limit.

12. SHARES BOUGHT BY THE COMPANY IN THE PREVIOUS 12 MONTHS

The Company has not purchased any Shares within the twelve (12) months preceding the Latest Practicable Date.

13. INTERESTS OF THE DIRECTORS AND/OR SUBSTANTIAL SHAREHOLDERS

	Before Share Buy Back		After Share Buy Back	
	No. of Shares	%(1)	No. of Shares	%(2)
Directors				
Dato' Murly Manokharan	505,877,952	46.70	505,877,952	51.89
Dato' Seri Nazir Ariff Bin Mushir Ariff	–	–	–	–
Ir. Anilarasu Amaranazan	242,000	0.022	242,000	0.025
Mr. Cheah Teik Seng	4,480,252	0.41	4,480,252	0.46
Dato' Alan Teo Kwong Chia	205,516	0.019	205,516	0.021
Dato' Choong Khuat Seng	–	–	–	–
Dr. Lim Su Kiat	33,152	0.003	33,152	0.003
Mr. Ching Chiat Kwong	101,340,620	9.36	101,340,620	10.39
Mr. Low See Ching (Liu Shijin)	101,340,620	9.36	101,340,620	10.39
Substantial Shareholders (other than Directors)				
Aspen Vision Group Sdn. Bhd.	495,602,146	45.75	495,602,146	50.83
Ideal Force Sdn. Bhd.	63,720,276	5.88	63,720,276	6.54
Mr. Oh Kim Sun	41,340,000	3.82	41,340,000	4.24
Oxley Holdings Limited	101,340,620	9.36	101,340,620	10.39

Notes:

(1) The percentage is calculated based on 1,083,269,594 Shares (excluding treasury shares and subsidiary holdings) as at the Latest Practicable Date.

(2) Assuming the Company purchases or acquires the maximum number of Shares pursuant to the Share Buy Back Mandate, the percentage after the Share Buy Back is calculated based on 974,942,635 Shares.

In the event that the Company undertakes purchases or acquisitions of Shares of up to 10% of the issued Shares of the Company as permitted under the Share Buy Back Mandate, the shareholdings and voting rights of the Concert Parties will increase by more than one per cent (1%) in the preceding six (6) months. Accordingly, the Concert Parties may be required to make a mandatory take-over offer under Rule 14 of the Takeover Code. Further details on conditions for exemption from having to make a mandatory take-over offer under Rule 14 of the Takeover Code are set out in Sections 6 of this Appendix.

Save for the above, the Directors are not aware of any Shareholder or group of Shareholders acting in concert who may become obligated to make a mandatory take-over offer under the Takeover Code in the event that the Company purchases or acquires the maximum number of Shares under the Share Buy Back Mandate.

Neither the Directors nor the Substantial Shareholders of the Company (other than in his capacity as a Director or Shareholder of the Company), as well as their respective associates, has any interest, direct or indirect, in the Share Buy Back Mandate.

14. DIRECTORS' RECOMMENDATION

The Directors, save for Dato' Murly Manokharan, who has abstained from making any recommendation to Shareholders pursuant to the conditions for exemption under Appendix 2 of the Takeover Code (as set out in Section 6 of this Appendix), having considered, inter alia, the rationale and information relating to the proposed renewal of the Share Buy Back Mandate, are of the opinion that the proposed renewal of the Share Buy Back Mandate is in the best interests of the Company. Accordingly, the Directors, save for

Murly Manokharan, recommend that Shareholders vote in favour of the ordinary resolution relating to the proposed renewal of the Share Buy Back Mandate at the 2021 AGM.

15. ACTION TO BE TAKEN BY SHAREHOLDERS

Pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020, Shareholders will not be able to attend the 2021 AGM in person due to the various control and safe distancing measures put in place in Singapore to prevent the spread of COVID-19. A Shareholder (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the 2021 AGM if such Shareholder wishes to exercise his/her/its voting rights at the 2021 AGM.

Where a Shareholder (whether individual or corporate) appoints the Chairman of the Meeting as his/her/its proxy, he/she/it must give specific instructions as to voting, or abstentions from voting, in respect of a resolution in the Proxy Form, failing which the appointment of the Chairman of the Meeting as proxy for that resolution will be treated as invalid. The Proxy Form for the 2021 AGM will be announced together with the Notice of AGM and may be accessed at the Company's website at the URL ***https://aspen.listedcompany.com/newsroom.html*** and the SGX website at the URL ***https://www.sgx.com/securities/company-announcements***.

The Proxy Form must be submitted to the Company in the following manner:

(a) if submitted by post, be lodged at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) at 80 Robinson Road, #11-02, Singapore 068898; or

(b) if submitted electronically, be submitted via email to the Company's Share Registrar at *sg.is.proxy@sg.tricorglobal.com*,

in either case not less than seventy-two (72) hours before the time appointed for the 2021 AGM.

A Depositor shall not be regarded as a Shareholder of the Company and not be entitled to attend the 2021 AGM and to speak and vote thereat unless his name appears on the Depository Register and/or the Register of Members at least seventy-two (72) hours before the 2021 AGM.

If a shareholder is required to abstain from voting on a proposal at a general meeting by a listing rule or pursuant to any court order, any votes cast by the shareholder on that resolution will be disregarded by the Company.

16. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors (including those who may have delegated detailed supervision of this Appendix) collectively and individually accept full responsibility for the accuracy of the information given in this Appendix and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Appendix constitutes full and true disclosure of all material facts about the proposed renewal of the Share Buy Back Mandate, the Company and its subsidiaries, and the Directors are not aware of any facts or the omission of which would make any statement in this Appendix misleading. Where information in the Appendix has been extracted from published or otherwise publicly available sources 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 the Appendix in its proper form and context.

17. INSPECTION OF DOCUMENTS

Subject to prevailing regulations, orders, advisories and guidelines relating to safe distancing which may be issued by the relevant authorities, copies of the following documents are available for inspection at the registered office of the Company at 80 Robinson Road, #02-00, Singapore 068898, during normal business hours from the date of this Appendix up to the date of the 2021 AGM:

(a) the Constitution of the Company; and

(b) the audited consolidated financial statements of the Company for FY2020.

The Annual Report for FY2020 may be accessed at our Company's website at the URL ***https://aspen.listedcompany.com/newsroom.html*** and on the SGX website at the URL ***https://www.sgx.com/securities/annual-reports-related-documents***.

Yours faithfully
For and on behalf of the Board of Directors
ASPEN (GROUP) HOLDINGS LIMITED

Dato' Murly Manokharan
President and Group Chief Executive Officer

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

IMPORTANT
1. The Annual General Meeting ("**AGM**") is being convened, and will be held by way electronic means pursuant to the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of Annual General Meeting will not be sent to members. Instead, it will be sent to members by electronic means via announcement on the SGX website at the URL *https://www.sgx.com/securities/company-announcements* and may be accessed at the Company's website at the URL *https://aspen.listedcompany.com/newsroom.html.*
2. **Due to the current COVID-19 restriction orders in Singapore, members will not be able to attend the AGM in person.**
3. Alternative arrangements relating to attendance at the AGM via electronic means (including arrangements by which the AGM can be electronically accessed via live audio-visual webcast or live audio-only stream), submission of questions to the Chairman of the Meeting in advance of the AGM, addressing of substantial and relevant questions at the AGM and voting by appointing the Chairman of the Meeting as proxy at the AGM are set out in the Company's Notice of AGM dated 4 April 2021. The Notice of AGM may be accessed at the Company's website at the URL *https://aspen.listedcompany.com/newsroom.html*, and on the SGX website at the URL *https://www.sgx.com/securities/company-announcements*.
4. A member (whether individual or corporate) must appoint the Chairman of the Meeting as his/her/its proxy to attend, speak and vote on his/her/its behalf at the AGM if such member wishes to exercise his/her/its voting rights at the AGM.
5. CPF/SRS investors who wish to appoint the Chairman of the AGM as proxy should approach their respective CPF Agent Banks or SRS Operators to submit their votes by **10:00 a.m. on 23 April 2021.**
6. By submitting an instrument appointing the Chairman of the AGM as proxy, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 4 April 2021.
7. **Please read the notes overleaf which contain instructions on, inter alia, the appointment of the Chairman of the AGM as a member's proxy to attend, speak and vote on his/her/its behalf at the AGM.**

PROXY FORM

I / We, ________________________ (Name) of NRIC/Passport/Company Registration No, ________________ of
____ (Address)

being a member/members of Aspen (Group) Holdings Limited (the "**Company**"), hereby appoint:

the Chairman of the AGM of the Company

as *my/our *proxy/proxies to attend, speak and vote for *me/us on *my/our behalf at the AGM of the Company to be held by way of electronic means on Monday, 26 April 2021 at 10:00 a.m. (Singapore time) and at any adjournment thereof. I/We direct the Chairman of the Meeting to vote for, against and/or to abstain from the Ordinary Resolutions to be proposed at the AGM as indicated with an "X" in the spaces provided hereunder. If no specific direction as to voting is given, the Chairman may vote or abstain from voting at his/their discretion.

Resolution No.	Ordinary Resolutions	For*	Against*	Abstain*
1.	Adoption of the Audited Financial Statements of the Company for the financial year ended 31 December 2020, the Directors' Statement and the Report of the Auditors thereon.			
2.	Approval of the payment of Directors' fees of RM420,000 for the financial year ended 31 December 2020.			
3.	Re-election of Dato' Murly Manokharan as Director.			
4.	Re-election of Dato' Alan Teo Kwong Chia as Director.			
5.	Re-election of Mr Ching Chiat Kwong as Director.			
6.	Re-appointment of Messrs KPMG LLP as Auditors of the Company and to authorise the Directors to fix their remuneration.			
7.	Authority to allot and issue shares in the capital of the Company and/or instruments pursuant to Section 161 of the Companies Act.			
8.	Authority to allot and issue shares under the AV Employee Share Option Scheme.			
9.	Proposed Grant of Options at a Discount under the AV Employee Share Option Scheme.			
10.	Authority to allot and issue shares under the AV Performance Share Plan.			
11.	Proposed Renewal of the Share Buy Back Mandate.			

* Delete as appropriate.
** Voting will be conducted by poll. If you wish to exercise all your votes "For" or "Against", please indicate with a tick (√) in the "For" or "Against" box. Alternatively, please indicate the number of votes "For" or "Against" as appropriate in the resolution. If you wish to "Abstain" from voting on the resolution, please indicate with a tick (√) in the "Abstain" box. Alternatively, please indicate the number of shares which you wish to abstain from voting. In the absence of directions for the resolution, the appointment of Chairman of the Meeting as your proxy for the resolution will be treated as invalid.

Total number of Shares in :	No. of Shares held
(a) CDP Register	
(b) Register of Members	

Dated this ____________ day of ________________ 2021

____
Signature(s) of Member(s) / Common Seal of Corporate Member

IMPORTANT: Please read notes overleaf

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Future Act, (Chapter 289) of Singapore), you should insert that number of shares. If you have shares registered in your name in the Register of Members of the Company, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.

2. Due to the current COVID-19 restriction orders in Singapore, members will not be able to attend the AGM in person. Members will be able to watch the proceedings of the AGM through a "live" webcast via their mobile phones, tablets or computers or listen to these proceedings through a "live" audio feed via telephone. In order to do so, members who wish to watch the "live" webcast or listen to the "live" audio feed must pre-register by **10:00 a.m. on 23 April 2021** at *https://agm.aspen.com.my*. Following authentication of their status as members, authenticated members will receive email instructions on how to access the webcast and audio feed of the proceedings of the AGM by **10:00 a.m. on 24 April 2021**. Members who do not receive an email by **10:00 a.m. on 24 April 2021** should contact the Company's Share Registrar, Tricor Barbinder Share Registration Services by phone call at +65 6236 3550 / +65 6236 3555 during operating hours from 8:30 a.m. to 5:30 p.m. for assistance.

3. Investors who hold shares through relevant intermediaries as defined in Section 181(C) of the Companies Act, other than SRS Investors, and wish to participate in the AGM should, in additional to pre-registering, approach their respective agents, by **5:00 p.m. on 16 April 2021**, so that the necessary arrangements can be made by the relevant agents for their participating in the AGM.

4. Members who pre-register to watch the "live" webcast or listen to the "live" audio feed may also submit questions relating to the resolutions to be tabled for approval at the AGM. Please note that members will not be able to ask questions at the AGM "live" during the webcast and the audio feed to avoid any technical disruption and interference to the Live Webcast.

5. All questions by members must be submitted by **no later than 10:00 a.m. on 19 April 2021** to the Company:
   (a) via email to: *agm@aspen.com.my*;

   (b) via post, to the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898.

   For verification purpose, when submitting any questions via email, members **MUST** provide the Company with their particulars (comprising full name (for individuals)/company name (for corporates), email address, contact number, NRIC/ passport number / company registration number, shareholding type and number of shares held).

   The Company will endeavour to address the substantial queries from members by 21 April 2021. Where substantial and relevant questions submitted by members are unable to be addressed prior to the AGM, the Company will address them at the AGM. The minutes of the AGM, including responses to substantial queries from the members which are addressed during the AGM, shall thereafter be published on SGXNet and the Company's corporate website at *https://aspen.listedcompany.com/newsroom.html*, within one (1) month from the date of the AGM.

6. Investors who hold shares through relevant intermediaries as defined in Section 181(C) of the Companies Act, including SRS Investors, can submit their questions in relation to any resolution set out in the Notice of AGM upon pre-registration, however, they must, in addition to pre-registering, approach their respective agents by **5:00 p.m. on 16 April 2021**, so that the necessary arrangements can be made by the relevant agents for their participation in the AGM.

5. A member will not be able to attend the AGM in person. Members (whether individuals or corporates) who wish to exercise their voting rights at the AGM must appoint the Chairman of the AGM as their proxy to attend, speak and vote on their behalf at the AGM. In appointing the Chairman of the AGM as proxy, members (whether individuals or corporates) must give specific instructions as to voting, or abstentions from voting, in the form of proxy, failing which the appointment will be treated as invalid.

6. The Chairman of the AGM, as proxy, need not be a member of the Company.

7. The instrument appointing the Chairman of the AGM as proxy must be submitted to the Company in the following manner:

   (a) in hard copy by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898; or

   (b) via email to: *sg.is.proxy@sg.tricorglobal.com*

   in either case, not less than 72 hours before the time for holding the AGM and at any adjournment thereof.

   A member who wishes to submit an instrument of proxy must first download, complete and sign the proxy form, before submitting it by post to the address provided above, or before scanning and sending it by email to the email address provided above.

7. Investors who hold shares through relevant intermediaries as defined in Section 181(C) of the Companies Act, including SRS investors, and wish to appoint the Chairman of the AGM as proxy, should approach their respective agents to submit their votes by **5:00 p.m. on 16 April 2021** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the AGM to vote on their behalf by **10:00 a.m. on 23 April 2021**.

8. The Annual Report 2020 may be accessed at the Company's website at the URL *https://aspen.listedcompany.com/newsroom.html* and on the SGX website at the URL *https://www.sgx.com/securities/annual-reports-related-documents*.

9. The instrument appointing the Chairman of the AGM as proxy must be signed by the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the AGM as proxy is executed by a corporation, it must be either under its common seal or signed on its behalf by a duly authorised officer or attorney.

10. Where an instrument appointing the Chairman of the AGM as proxy is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be attached to the instrument of proxy, failing which the instrument may be treated as invalid.

11. The Company shall be entitled to reject the instrument appointing the Chairman of the AGM as proxy if it is incomplete, improperly completed, illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing the Chairman of the AGM as proxy (such as in the case where the appointor submits more than one instrument of proxy).

12. In the case of shares entered in the Depository Register, the Company may reject an instrument of proxy if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at 72 hours before the time appointed for holding the meeting, as certified by The Central Depository (Pte) Limited to the Company.

IMPORTANT REMINDERS

Due to the constantly evolving COVID-19 situation, the Company may be required to change its AGM arrangements at short notice. Members are advised to regularly check the Company's website or announcements released on SGXNET for updates on the AGM. Further, in view of the current COVID-19 measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

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ASPEN (GROUP) HOLDINGS LIMITED

Company's Share Registrar
Tricor Barbinder Share Registration Services
80 Robinson Road
#11-02
Singapore 068898