

RESPONSE TO QUERIES FROM THE SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ("SGX-ST") ON THE COMPANY'S ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2020

The Board of Directors (the "**Board**") of Aspen (Group) Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce the following in response to the queries raised by the SGX-ST on 16 April 2021 in relation to the Company's Annual Report for the financial year ended 31 December 2020 ("**FY2020**") released on 5 April 2021.

SGX-ST's Query 1

On page 94 of the Company's Annual Report, it was stated that "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." In addition, it was stated on page 176 of the Annual Report that the Company had entered into related party transactions that comprised progress billings with key management personnel and companies in which directors and key management personnel have substantial interests.

- (a) Please explain if any of the related party transactions constitute an interested person transaction.
- (b) Please clarify whether the Company has any interested person transactions for FY2020 (i.e. for the year ending 31 December 2020) and if so, to disclose such interested person transactions in accordance with Listing Rule 907.

Company's Response

- (a) The related party transactions referred to on page 176 of the Annual Report relating to progress billings arose from the following transactions:
 - (i) Companies in which directors and key management personnel have substantial interests

The sale of a property unit by the Company's subsidiary, Aspen Vision Builders Sdn. Bhd. ("**AVB**") to Trade Empire Sdn. Bhd. during the financial year ended 31 December 2018, as disclosed in an announcement released on SGXNET by the Company on 9 March 2018 ("**2018 Announcement**"). This transaction is classified as an interested person transaction pursuant to Rule 910(1) of the SGX-ST Listing Manual Section B: Rules of Catalist (applicable to the Company at that point in time) ("**Catalist Rules**"). Please refer to the 2018 Announcement for further details on this transaction; and

(ii) Key management personnel

The sale of two property units by the Company's indirect subsidiary, Aspen Vision City Sdn. Bhd. ("**AVC**"), to one of AVC's directors during the financial year ended 31 December 2018. This transaction is not classified as an interested person transaction pursuant to Chapter 9 of the Catalist Rules as the aforementioned director of AVC is not an interested person as defined under Catalist Rule 904(4).

- (b) There were no interested person transactions entered into of S\$100,000 and above during FY2020. However, there was a sale of a property unit with a sale price of less than S\$100,000 by AVC to Kumar a/l Manokharan, which is classified as an interested person transaction pursuant to the Catalist Rules during FY2020, as disclosed in an announcement released on SGXNET by the Company on 30 March 2020 ("**2020 Announcement**"). Please refer to the 2020 Announcement for further details on this transaction.

SGX-ST's Query 2

Listing Rule 715(1) requires an issuer to engage the same auditing firm based in Singapore to audit its Singapore-incorporated subsidiaries and significant associated companies. Listing Rule 716 states that an issuer may appoint different auditing firms for its subsidiaries or significant associated companies (referred to in Rule 715(1)) provided that the issuer's board and audit committee are satisfied that the appointment would not compromise the standard and effusiveness of the audit of the issuer, or (2) the issuer's subsidiary or associated company is listed on a stock exchange. We note that the Company had not disclosed the auditors for its local subsidiary, Kanada-Ya SG Pte. Ltd. Please disclose who are the auditors for Kanada-Ya SG Pte. Ltd. and clarify whether the Company has met the requirements of Listing Rule 715(1).

Company's Response

The Company has engaged KPMG LLP, which is based in Singapore and currently, the auditing firm engaged by the Company, to audit its wholly-owned subsidiary, Kanada-Ya SG Pte. Ltd. Hence, the Group has complied with Rule 715(1) of the SGX Listing Manual which requires an issuer to engage the same auditing firm based in Singapore to audit its accounts, and its Singapore-incorporated subsidiaries and significant associated companies.

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan
President and Group Chief Executive Officer
20 April 2021