
BUSINESS UPDATE ON THE GROUP'S OPERATIONS

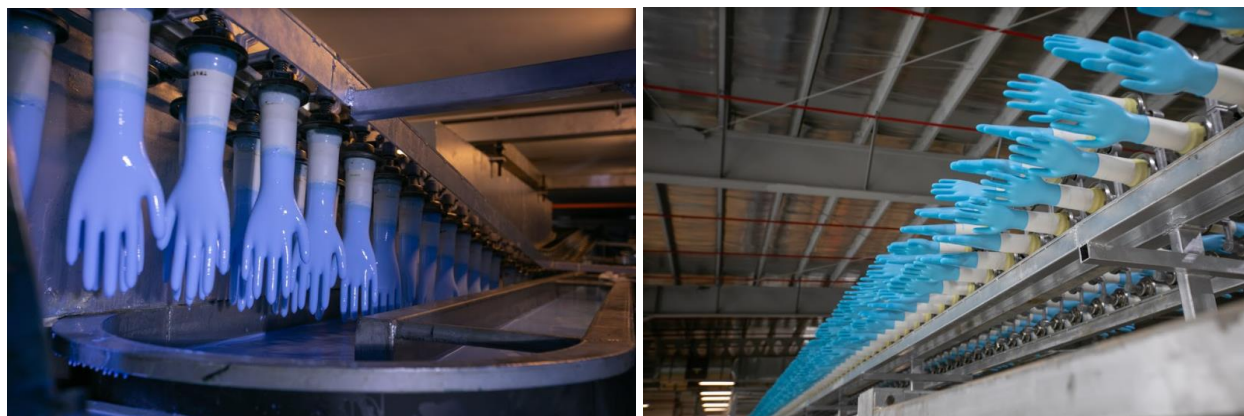
The Board of Directors (the "**Board**") of Aspen (Group) Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the recent Movement Control Order ("**MCO 3.0**") issued by the Government of Malaysia, which is effective from 12 May 2021 to 7 June 2021, to curb the spread of the Covid-19 infection in the country, and wishes to provide shareholders of the Company with an update in relation to the two main business segments of the Group, namely the Healthcare Sector and Property Development Sector and the various implication the MCO 3.0 may have on the Group's operations:

Healthcare Sector

The Board is pleased to announce that the Company's subsidiary, Aspen Glove Sdn. Bhd. ("**AGSB**") has, on 10 May 2021, successfully commenced the production of gloves under Phase 1(a) for shipment and the day-to-day operations of AGBS are running smoothly.

In line with the MCO 3.0 and the Covid-19 Standard Operating Procedures ("**SOP**") recommended by the Malaysia Ministry of Health ("**MOH**"), 70% of the Group's management staff are required to work from home. However, AGBS's staff which are involved directly in the production lines are allowed to work at full capacity taking into account strict compliance to the prescribed SOPs. AGBS currently uses 3 teams working 8-hour shifts to provide 24/7 coverage.

Despite a slight delay in the commencement of production of Phase 1(a), AGBS is well on track to meet its contractual obligations. AGBS's first shipments are scheduled for delivery by end of May 2021.



AGSB's double former fully automated dipping line



AGSB's double former fully automated dipping line



AGSB's fully automated glove stripping and stacking process

The construction works for AGSB's Phase 1 manufacturing facility have been fully completed and will house a total of 12 production lines. AGSB is currently in the midst of installing the machinery for its Phase 1(b) to include 6 additional production lines.

Construction works relating to utilities including electricity, water, natural gas, wastewater treatment plant, and all ancillary infrastructure for AGSB's Phase 1 and 2 have also been completed and will support a total of 24 production lines.



AGSB's corporate office



AGSB's Phase 1 manufacturing facility

The piling works for Phase 2 of the manufacturing facility have been completed and the main building works will commence soon. The construction works for Phase 2 of the manufacturing facility is expected to be completed by October 2021. Production of gloves under Phase 2 is expected to commence in stages from Q4 2021 onwards and is expected to achieve full production capacity by 1Q 2022 with 24 production lines.

The Company will update shareholders via SGXNET when there are material developments to AGSB's operations as and when appropriate.

Property Development Sector

The Board is also pleased to announce that Vertu Resort has obtained the Certificate of Completion and Compliance ("**CCC**") on 8 April 2021.

Launched in 2017, Vertu Resort, is the Group's first residential development in Aspen Vision City, a 247-acres freehold mixed development project well-located in Bandar Cassia, Batu Kawan - Penang's third satellite city, in a joint-partnership with IKEA Southeast Asia.

The resort-inspired highrise development was conceptualised as a sustainable development, with vast eco-inspired features that meet the Green Building Index (GBI) Certification for the Silver rating. It consists of 5 condominium blocks ranging from 20-storeys to 36-storeys consisting of 1,246 units of condominiums built above an 8-storey car park podium with one storey above the car park for community recreational facilities.



Vertu Resort Façade

Vertu Resort has abundant facilities and amenities to suit individual lifestyles such as a 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.



Vertu Resort Facilities

The homeowners of Vertu Resort are currently being welcomed in stages to collect their keys to their homes with strict adherence to the Covid-19 SOPs recommended by the MOH to prevent the risk of infection.

The Group has also completed the construction works for Beacon Executive Suites and expects to obtain the CCC by end of May 2021. It consists of 227 units of small office, home office (SOHO) residence within a 30-storey tower gracing the skyline of George Town.



Beacon Executive Suites rendering

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 a swimming pool and indoor gymnasium.



Beacon Executive Suites lobby

The Group expects the construction activities of its other on-going developments, namely Vivo Executive Apartment and Viluxe, to be affected slightly by the MCO 3.0.

The Group will continue to leverage e-commerce platforms to engage with its potential customers and ensure business continuity during the Covid-19 pandemic. Since the first Movement Control Order, the Group's sales and marketing team has been using online platforms and social media to actively disseminate information and promote the Group's projects.

To take advantage of the available incentives by the Malaysian Government such as the Real Property Gains Tax (RPGT), 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 Group intends to launch four projects in the second half of 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.

BY ORDER OF THE BOARD

Aspen (Group) Holdings Limited

Dato' Murly Manokharan
President and Group Chief Executive Officer
17 May 2021