

## ACCEPTANCE OF BANKING FACILITY AMOUNTING TO RM60 MILLION GRANTED BY STANDARD CHARTERED BANK MALAYSIA BERHAD

### 1. INTRODUCTION

The Board of Directors (the “**Board**”) of Aspen (Group) Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) wishes to announce that the Company’s subsidiary, Aspen Glove Sdn. Bhd. (“**AGSB**”) has on 12 November 2021 entered into a Facility Agreement (the “**Facility Agreement**”) with Standard Chartered Bank Malaysia Berhad (the “**Lender**”), pursuant to which the Lender has agreed to grant and AGSB has agreed to accept a banking facility consisting of a term loan and tradeline facilities of an aggregate amount of RM60 million (approximately SGD19.5 million) (the “**Facility**”).

### 2. SALIENT TERMS OF THE FACILITY

The principal terms of the Facility are set out below:

Facility	:	Term loan	:	RM50 million														
		Tradeline facilities	:	RM10 million														
Purpose of Facility	:	Term loan	:	To part finance the construction of AGSB’s building situated at No. 9 Lebuhraya Perdana, Kulim Hi-Tech Park (Fasa IV), 09090 Kulim, Kedah, Malaysia (the “ <b>Land</b> ”)														
		Tradeline facilities	:	To finance AGSB’s trade transactions														
Tenure of Facility	:	Term loan	:	27 months														
		Tradeline facilities	:	N/A														
Security(ies)	:	<table><tr><th>Description</th><th>Security Party</th></tr><tr><td>Debenture creating a fixed and floating charge over all present and future assets of AGSB, save for its stock in trade<sup>(1)</sup></td><td>AGSB</td></tr><tr><td>Fixed charge over an account to be maintained by AGSB for an amount equivalent to 3 months of principal and interest payable to the Lender</td><td>AGSB</td></tr><tr><td>Legal assignment of contract proceeds relating to the sales of AGSB’s product <sup>(1)</sup></td><td>AGSB</td></tr><tr><td>Legal charge over the lease relating to the Land and building under AGSB’s Phase 1<sup>(1)</sup></td><td>AGSB</td></tr><tr><td>Corporate Guarantee up to 75% of RM60,000,000 from the Company<sup>(1)</sup></td><td>Company</td></tr><tr><td>Corporate Guarantee up to 25% of RM60,000,000 from AGSB’s shareholder<sup>(1)</sup></td><td>AGSB’s shareholder</td></tr></table>			Description	Security Party	Debenture creating a fixed and floating charge over all present and future assets of AGSB, save for its stock in trade <sup>(1)</sup>	AGSB	Fixed charge over an account to be maintained by AGSB for an amount equivalent to 3 months of principal and interest payable to the Lender	AGSB	Legal assignment of contract proceeds relating to the sales of AGSB’s product <sup>(1)</sup>	AGSB	Legal charge over the lease relating to the Land and building under AGSB’s Phase 1 <sup>(1)</sup>	AGSB	Corporate Guarantee up to 75% of RM60,000,000 from the Company <sup>(1)</sup>	Company	Corporate Guarantee up to 25% of RM60,000,000 from AGSB’s shareholder <sup>(1)</sup>	AGSB’s shareholder
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<i>Note:</i> <sup>(1)</sup> Security is shared between the term loan and the tradeline facilities																		

Disbursement	:	<p>The disbursement of the Facility is subject to, inter alia, the fulfilment of the following conditions:</p> <ul style="list-style-type: none"> <li>a) all of the security documents and other documentary evidence required under the Facility Agreement (being the conditions precedent) having been provided to the Lender in a form and substance satisfactory to the Lender; and</li> <li>b) there having been, as at the disbursement date, no occurrence of any event nor the discovery of any fact rendering untrue or incorrect in any material respect any of the representations and warranties made by AGSB under the Facility Agreement.</li> </ul>
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### **3. RATIONALE AND USE OF PROCEEDS**

The Board is of the view that it is in the best interest of AGSB to accept the Facility to part finance the construction of building on the Land and the trade transactions related to the production of gloves under Phase 1 which will consist of 12 production lines.

### **4. FINANCIAL EFFECTS**

The Facility is not expected to have any material effect on the Group's consolidated earnings and net tangible assets per share for the financial year ending 31 December 2021.

### **5. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS**

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

#### **BY ORDER OF THE BOARD**

Aspen (Group) Holdings Limited

Dato' Murly Manokharan  
President and Group Chief Executive Officer  
12 November 2021