aspen

Progressing with Intentional Resolve

Annual Report 2023

Cover Rationale

Progressing with InTENtional Resolve

In a rapidly evolving business environment characterised by technological advances, environmental demands and shifting customer expectations, our theme 'Progressing with InTENtional Resolve' serves as a manifesto. It signals our unwavering commitment to purposeful innovation, adaptability and growth.

The term 'InTENtional' underscores the importance we place on purpose-driven action and meticulous decision-making. Each manoeuvre we make is carefully calculated to transform challenges into catalysts for growth and positive impact.

Complementing the theme is the evocative imagery of flowing water. Just as water adapts to its surroundings, flowing over obstacles and carving its own path, we have demonstrated similar resilience and adaptability in our strategies and operations. This metaphor extends our corporate narrative and culture beyond mere words, offering a visual representation of our approach to business — a blend of fluidity, adaptability and proactive innovation.

The imagery serves as a tangible embodiment of the values we uphold in our interactions with stakeholders: clarity, transparency and sustainable impact. Like water, which is vital for life, our initiatives strive to enrich communities in meaningful ways.

The theme offers more than a snapshot of our current ethos; it projects a promising forecast of our corporate trajectory. This serves as an assurance to our stakeholders that their alignment with us is well-placed, signalling that we not only have a clear direction but are also fully committed to the journey ahead.

TABLE OF CONTENTS

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.

Core Values

These values define our culture, guide the way we treat each other and how we run our business. At Aspen, we live by these core values, which enable us to focus on creating innovative products, making ethical decisions, building relationships and ensuring accountability for our decisions.

Be A Catalyst For Positive Change

Our benchmark is to deliver products that elevate the standard of living. Before we embark on a project, we ask ourselves, "Will our actions spark positive change by making life better for people?". Every plan is conceived in detail and measured against this benchmark every step of the way. 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 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 also 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 to our products 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 and contributions as well as environmental and socio-cultural programmes.

Message from the President & Group Chief Executive Officer

DEAR STAKEHOLDERS,

Our journey at Aspen has been marked by resilience, adaptability and an unwavering commitment to growth. As we step into this significant year, our theme, 'Progressing with Intentional Resolve', perfectly encapsulates our journey and our vision for the future.

'Progressing with Intentional Resolve' is more than just a theme; it is a guiding principle that will steer us through the upcoming year and beyond. It reflects our commitment to intentional decision-making, strategic planning and steadfast resolve in the face of challenges. It is about moving forward, not just for the sake of progress, but with a clear and purposeful direction. It is about making decisions that are not only beneficial in the short term but also contribute to our long-term vision and goals.

The past year has been a transformative period for Aspen. We have navigated the challenges posed by Covid-19 related disruptions, economic volatility and interruptions in the supply chain, and emerged stronger and more resilient. Our strategic decision to refocus on our core business of developing commercial and residential projects and townships in Malaysia has proven to be a turning point. This decision has not only allowed us to weather the storm but has also set us on a path of positive growth.

Last year, we faced an unexpected challenge in our healthcare sector. The global demand for gloves, which we had anticipated would significantly contribute to Aspen, took a precipitous fall. This sudden shift, coupled with lower average selling prices and increased operating costs, had a significant impact on our operating cash flow. This global phenomenon was unforeseen, and it required us to strategise and navigate through the challenges with determination and resolve.

After exploring all possible avenues, the Board made the difficult but necessary decision to divest our assets in the healthcare sector. This decision, though tough, was crucial for the financial health of Aspen. We are optimistic that this strategic move will significantly improve our operating liquidity position, allowing us to focus on our core competencies and drive growth in our primary sectors.

Our flagship project, Aspen Vision City, has become a beacon of our strategic planning and execution. Located in Batu Kawan, it has become a growth engine for the Northern Region. The surge in social and retail activities in Aspen Vision City, especially in Vervea, has been a clear indicator of our strategic success. We have secured a multitude of global and local tenants who see the potential of establishing their presence here. It further solidifies Aspen Vision City's status as a strategic key development.

In response to valuable feedback from our shareholders, we have refined our corporate logo. This initiative is a testament to our commitment to continuous growth and evolution, reflecting the dynamic and progressive nature of our organisation. We believe that this enhancement will not only strengthen our corporate identity but also resonate more effectively with our stakeholders and the communities we serve.

Strategic Intention of Our New Logo

In every transformational journey, pivotal moments arise when we courageously shed the old to embrace the new. Our new logo stands as a beacon of this renewal, symbolising our relentless pursuit of innovation and our unwavering commitment to serve the evolving aspirations of our stakeholders and community. It is where simplicity meets ingenuity, forging an inspiring guiding force as we step into a future brimming with endless possibilities.

The new Aspen logo is a visual representation of our organisational culture and core beliefs. It serves as an emblem of our resilience, expertise, robust approach and steadfast resolve, encapsulating the core values that underpin everything we do, including our ongoing commitment to sustainability.

This new logo serves as a strategic corporate manifesto, heralding an era of unparalleled market insight and customer-centric innovation. The simplicity of the design and its well-rounded form reflect our holistic approach to excellence.

As we introduce this compelling logo, we reaffirm our commitment to our enduring tagline, 'Redefine Living'. Paired with the new logo, it becomes a clarion call, signifying our readiness to pioneer innovation, achieve success and set new benchmarks. More than just a brand transformation, our new logo represents our resolute dedication to creating a lasting, positive impact in the lives we touch, now and for generations to come.

Previous Logo

New Logo

10-Year Milestone

As we celebrate our 10th milestone year of Aspen, we are filled with immense pride and gratitude. Looking ahead, we remain committed to our core business. We are fortifying our efforts to source for, and acquire new land banks and establish joint ventures, with a focus in the Northern Region of Malaysia.

We are also keenly aware of the shifts in customer behaviour and mindsets, particularly the younger generation's focus on environmental impact. This has given us the impetus to continue building on our environmental, social and governance (ESG) agenda. We are working on transitioning our projects to be ESG compliant, ensuring that all our future projects are ESG conscious right from the conceptualisation.

In addition to our ESG efforts, we are also investing in technology and innovation to enhance our operational efficiency and customer experience. We believe that the integration of technology in our operations will not only streamline our processes but also provide our customers with a seamless and enjoyable experience.

As we progress with intentional resolve, we are mindful of the challenges that lie ahead, including the possibility of heightened inflationary risks and a potential global recession. However, our prudent approach in managing cashflow, reducing gearings and improving efficiencies has positioned us well to navigate these challenges.

We are confident that our strategic decisions and actions will continue to drive growth, create value and contribute to the sustainable development of our communities.

Business Review of FY2023

Aspen recorded a revenue of RM270.0 million and a gross profit of RM35.3 million for the financial year ended 30 June 2023. This represents a decrease of 23% and a decrease of 44% respectively as compared to the 18 months ended 30 June 2022. The absence of completed project handovers during FY2023 led to lower revenue and gross profit in the property development segment. Aspen's financial statement for FY2023 was made up for a period of 12 months, from 1 July 2022 to 30 June 2023. Therefore, the FY2022 comparative figures prepared for 18 months from 1 January 2021 to 30 June 2022 are not directly comparable.

Aspen's revenue was primarily contributed by the property development segment amounting to RM257.6 million, derived from progressive construction of ongoing projects namely Vivo Executive Apartment and Viluxe (Phase 1), as well as new sales from completed projects, namely Vervea, Vertu Resort and Beacon Executive Suites. The lack of new project handovers during FY2023 caused a dip in the property development segment's revenue compared to FY2022.

Aspen's results for the financial year ending 30 June 2023 recorded a total loss after tax of RM228.9 million, compared to a total loss after tax of RM213.1 million for the 18 months ending 30 June 2022. A significant portion of these losses was attributed to Aspen Glove Sdn. Bhd.'s (AGSB) discontinued operations for the financial year ended 30 June 2023, amounting to RM125.5 million. This was primarily due to the write-off of the factory buildings' value, totalling RM109.3 million in AGSB's books. The losses were further compounded by a fair value loss on investment resulting from the divestment of Aspen Vision Properties Sdn. Bhd.'s entire interest in Global Vision Logistics Sdn. Bhd. amounting to RM46.4 million.

As for the healthcare sector, following the termination of the lease and surrender of the leased land and factory buildings to the landowner, AGSB has completely ceased operations and exited the healthcare business.

In the wake of the divestment of Aspen's non-core business, Aspen will focus primarily on the property development segment which is expected to contribute positively to its earnings in FY2024.

Business Plans

The take-up rate of Aspen's development projects has significantly improved since the easing of Covid-19 restrictions and the resumption of business activities. Furthermore, in June 2023, the Ministry of Finance Malaysia announced an extension of the Malaysian Home Ownership Initiative Programme, which offers stamp duty exemption to first-time homebuyers. This extension will last until the end of the year 2023. The objective of the program is to stimulate the property market by encouraging home ownership among first-time buyers during a time of rising borrowing costs and growing inflationary pressures.

Despite the sluggish pace of the residential property market due to rising borrowing costs and inflationary pressures, we anticipate a more stable demand in FY2024. The higher borrowing costs and the rising cost of living have shifted the preferences of Malaysian buyers towards affordable products. This challenging backdrop for the property sector has not dampened the strong interest in the purchasing of our development properties, especially the affordably-priced properties at Aspen Vision City, Batu Kawan.

While Malaysia is projected to experience slightly lower economic growth in 2023, the demand for property in Penang, Malaysia, has seen an uptick, driven by substantial foreign direct investment commitments in Batu Kawan Industrial Park. This influx of investments has accelerated infrastructure development in the surrounding areas, thereby boosting the property market.

As a result, Aspen has managed to clear almost all inventories of completed projects. Furthermore, the delivery of vacant possession of Vertu Resort and Beacon Executive Suites in the FY2022 has significantly reduced Aspen's gearings. Aspen's flagship development, Aspen Vision City has matured alongside the rapid development in Batu Kawan, following the state government's strategic plan to establish Batu Kawan as a catalyst for growth in Seberang Perai, Penang.

Aspen plans to capitalise on the current market sentiment by launching several new projects. It anticipates the completion of Viluxe (Phase 1) in the last quarter of FY2023. Additionally, Aspen has already launched Versa in July 2023, with other upcoming projects, including a commercial hub and Viluxe (Phase 2), scheduled for launch in FY2024. The three projects have a total gross development value (GDV) of approximately RM600 million.

As for the food and beverage sector, Kanada-Ya is operating 5 outlets in strategic locations at Paya Lebar Quarter, Marina Square, Paragon Orchard, Century Square and JEM, Singapore.

With the divestment of Aspen's non-core assets and the realisation of unbilled sales from the property development segment, Aspen's financial position will be enhanced and better structured moving forward.

Aspen remains cautiously optimistic about the current improvement in economic growth and expects the business environment to remain challenging and unpredictable. Nonetheless, Aspen will continue its prudent and professional management approach to ensure the delivery of satisfactory performance in the coming year.

In conclusion, I want to express my deepest gratitude to all our stakeholders for your unwavering support and trust in Aspen. Your belief in our vision and our capabilities has been a driving force behind our success.

As we embark on the next chapter of our journey, we are not just looking to create a future that is profitable, but one that is sustainable, inclusive and transformative. We stand on the precipice of a new era, ready to shape the future with intention, resolve and an unwavering belief in our potential.

Dato' M. Murly
President & Group Chief Executive Officer

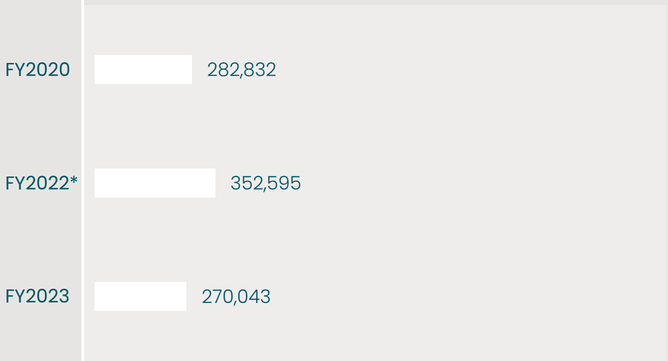
Purity of Purpose

In nature, water's power lies in its clarity and purity — characteristics that align closely with our company ethos. With a clear vision and a focus on creating meaningful impact, our 'Purity of Purpose' reflects our commitment to ethical practices, transparent governance and community engagement. Through focus on these values, we maintain a brand image that is as pure, transparent and life-giving as water itself.

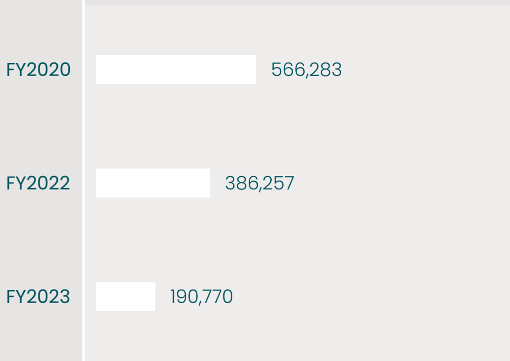
Financial Highlights

	FY2020	FY2022 (18 months)	FY2023
Revenue (RM'000)	282,832	352,595*	270,043
Profit/(Loss) attributable to equity holders (RM'000)	72,731	(180,145)*	(195,273)
Total assets (RM'000)	1,569,690	1,509,389	1,081,498
Net asset per share (RM cents)	56.83	35.66	17.61

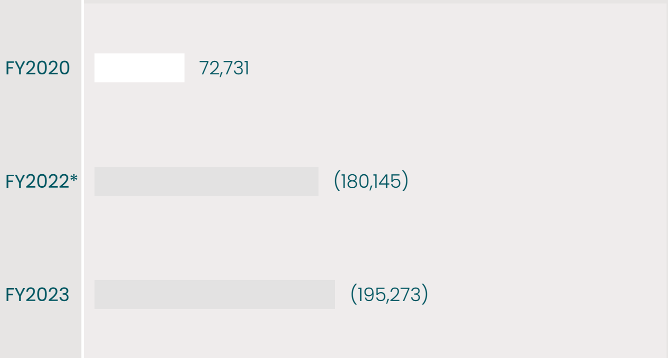
Revenue *(RM'000)*



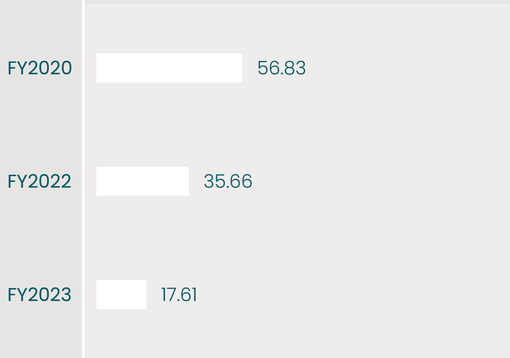
Shareholders' Fund *(RM'000)*



Net Profit Attributable to Shareholders *(RM'000)*



Net Asset per Share *(RM cents)*



*Comparative information has been re-presented due to a discontinued operation.

Corporate Milestones

JULY 2022

VERTU RESORT WINS SILVER AT THE MALAYSIAN INSTITUTE OF ARCHITECTS AWARDS

Vertu Resort earns the coveted Silver Award in the Multiple Residential category at the esteemed Malaysian Institute of Architects (PAM) Awards. Held in high regard as Malaysia's pinnacle recognition for architectural brilliance, the PAM Awards lauds architects for their superior design quality and contribution to the built environment.

SEPTEMBER 2022

THE PREVIEW OF VERSA

Aspen Vision City introduces its latest residential property, Versa, to the public. This ambitious twin tower project features 490 residential units per tower, as well as 9 commercial units situated within the podium. Boasting a full suite of amenities at a reasonable price, Versa becomes a compelling option for first-time homebuyers.

DECEMBER 2022

BEACON EXECUTIVE SUITES WINS PROPERTY GURU AWARD

Beacon Executive Suites clinches the Best Investment High-Rise Development Award at the Property Guru Asia Property Awards Malaysia 2022. Nestled in the heart of George Town, Beacon Executive Suites blends refined interiors with state-of-the-art amenities, creating a sought-after property, particularly for short-term rental platforms.

MAY 2023

ASPEN EARNS CIDB CERTIFICATION

The Construction Industry Development Board (CIDB) confers a Certificate of Appreciation upon Aspen's completed projects. This accolade follows the exemplary ratings given to all of Aspen's developments — Tri Pinnacle, Beacon Executive Suites, Vervea and Vertu Resort — under the QLASSIC assessment system, which evaluates the excellent workmanship quality.

Our Partnerships

Joint Venture Partner

Ikano Retail

An IKEA franchisee that owns, operates and develops
IKEA Stores and Shopping Centres

With the IKEA concept as its distinct anchor, Ikano Retail curates convenient one-stop destinations where communities can come together to connect, discover and be inspired by the many unique experiences.

Ikano Retail caters to the everyday needs of people as an IKEA franchisee providing home furnishings and business solutions. Additionally, with its IKEA-anchored Ikano Centres, it has become a retail destination for communities. Ikano Retail is the only IKEA franchisee owned by the family of Ingvar Kamprad, who founded IKEA in 1943.

Through its online platforms and retail spaces across five markets, Ikano Retail helps families, home-business owners and business partners bring their dream homes and offices to life with its products, services and retail spaces.

Aspen Vision City, a large-scale mixed-use development, is a joint venture between Aspen and Ikano Retail. This marks Ikano Retail's earliest involvement in mixed-use developments in Southeast Asia. Aspen Vision City comprises mixed residential and commercial properties, including the Klippa Shopping Centre, Klippa Drive-Thru and the first-ever IKEA store in the Northern Region of Malaysia.

Ikano Retail holds a 20% equity stake in the mixed-use developments in Aspen Vision City.

Ikano Retail
An IKEA retailer

Ikano Retail Facts & Figures FY2023

Ikano Retail Turnover
SGD 1.63 Billion
(FY2022)

IKEA Stores
13 Stores
5 Meeting Places
(IPC, Megabangna, MyTOWN, Toppen, Klippa)

IKEA Website Visits
118.4 Million

IKEA Co-Workers
5,246

Collaboration Partners

Marriott International, Inc.

Global Hospitality Brand

Marriott International, Inc. (NASDAQ: MAR) is based in Bethesda, Maryland, USA, and encompasses a portfolio of nearly 8,600 properties under 31 leading brands spanning 139 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 collaboration between Aspen Vision City Sdn. Bhd. and Marriott International, Inc. will lead to an expansion of the Aloft Hotel brand in the mainland province of Penang, Malaysia. Aloft Penang Batu Kawan will cater to business and leisure travellers, as well as local staycationers and shoppers, in a region known as the 'Silicon Valley of the East' due to its high-tech manufacturing hubs, alongside extensive industrial, retail and leisure parks.

Together, Aspen and Marriott International, Inc. will anchor the tourism and hospitality sectors and enhance the vibrancy of Batu Kawan by providing an extensive support network for business activities.

Columbia Asia

Advanced Healthcare Provider

Columbia Asia commenced its operations in 1996 and has since evolved into a multinational hospital group, ranking among the largest and most rapidly expanding healthcare organisations in Southeast Asia. Its primary commitment lies in providing high quality yet affordable medical services to the middle and upper-middle income populations of Malaysia, Indonesia and Vietnam, all of which are among the region's fastest-growing markets.

Columbia Asia is jointly owned by the Malaysian-based conglomerate, Hong Leong Group and the alternative asset firm, TPG. To date, it operates 22 medical facilities throughout Southeast Asia, encompassing Malaysia, Indonesia and Vietnam, with a total capacity of 1,732 beds. The organisation is aggressively growing through the expansion of existing facilities and the development of new projects to meet the surging demand for healthcare services.

Upon the successful completion of ongoing projects, including the facility in Aspen Vision City, Batu Kawan, Columbia Asia will have a total of 23 facilities, providing more than 3,500 beds. Additionally, Columbia Asia is actively exploring opportunities for further expansion through value-enhancing acquisitions.

Columbia Asia's medical facilities provide an extensive array of services, encompassing General Surgery, Pediatrics, Obstetrics & Gynecology, Orthopedics, Oncology, Neurology, Internal Medicine, ENT, Cardiology, Urology and more. These services are supported by ancillary facilities such as Intensive Care Units, Neonatal Care Units, Physiotherapy, Laboratories, Pharmacies, CATHLabs and Imaging departments.

At Columbia Asia, comprehensive medical programmes are firmly rooted on ethics, excellence and strict clinical governance. All operations adhere to international quality assurance standards, ensuring the delivery of the highest possible standard of patient care.

Board of Directors

Cheah Teik Seng

Chairman and Independent Non-Executive Director

Mr. **Cheah Teik Seng,** Aspen's esteemed Chairman and Independent Non-Executive Director, stands as a luminary in the realms of banking and finance. Mr. Cheah's prestigious career features high-ranking managerial roles in leading investment banks including Chase Manhattan Bank, BNP Paribas, UBS, Goldman Sachs and Merrill Lynch.

After this outstanding tenure in banking, Mr. Cheah pivoted to the field of asset management. Mr. Cheah dedicated over a decade to directing investment funds, with a focus on China's burgeoning private equity sector. Additionally, his multifaceted experience includes an impressive roster of independent directorships in public-listed companies spanning Malaysia, Australia and Philippines. His governance extends across sectors from banking and finance to oil and gas, leisure and real estate.

Possessing a career that transcends geographical boundaries; having been active in business hubs like Malaysia, Singapore, Hong Kong and London, Mr. Cheah enriches Aspen's Board with a truly global perspective. His extensive background provides him with unparalleled depth of expertise in banking and finance, making him an invaluable asset in steering Aspen towards a future filled with promise and potential.

Dato' M. Murly

President and Group Chief Executive Officer

Dato' **M. Murly,** the co-founder and Group CEO, steers Aspen with strategic vision and calculated action. He holds the distinguished honour of being among the youngest individuals to serve as an Executive Director and Chief Operating Officer in the history of public-listed companies in Malaysia, a feat that continues to inspire the next generation of entrepreneurs.

Renowned for his acute business acumen, Dato' Murly is adept at disrupting traditional norms and possesses a keen foresight for innovation. These traits have propelled Aspen forward with unswerving determination.

Drawing upon extensive industry knowledge that spans from design and construction management to community-centric urban planning, Dato' Murly has influenced the conceptualisation of Aspen's projects. He employs incisive strategies to leverage his multidisciplinary skills to position Aspen as an industry leader.

Motivated by a desire to effect meaningful change, Dato' Murly is committed to shaping communities for the better through transformational ideals. His passion continues to guide Aspen into new avenues of evolution and diversification.

Dato' Seri Nazir Ariff Bin Mushir Ariff

Executive Deputy Chairman

Dato' Seri **Nazir Ariff,** the co-founder and Executive Deputy Chairman of Aspen, brings an unparalleled wealth of experience to the table. Boasting over four decades in the business sphere and more than a decade as a luminary in the property development sector, Dato' Seri Nazir is celebrated as a seasoned stalwart in real estate.

The breadth of Dato' Seri Nazir's career is truly exceptional, having worn multiple hats from leading trade ventures to contributing to public welfare projects. Whether serving as an independent director in public-listed companies, trading in tin smelting markets, overseeing financial portfolios, or managing football clubs, Dato' Seri Nazir has demonstrated a unique multifaceted approach to leadership. His dedication even extends to social contributions such as championing animal rights and spearheading youth scholarship initiatives.

Equipped with Dato' Seri Nazir's extraordinary skill set and mentorship qualities, Aspen is superbly equipped to traverse an ever-fluid corporate landscape, poised for continual growth and success. His comprehensive business prowess has played an instrumental role in Aspen's establishment and positions it for robust future advancements.

Ir. Anilarasu Amaranazan

Group Managing Director

Ir. **Anilarasu Amaranazan,** the Group Managing Director since 2019, has been instrumental in guiding Aspen's business endeavours. Joining Aspen as Operations Director in June 2015, and later assuming the role of Chief Operating Officer in November 2016, he spearheads the development and execution of business strategies.

Ir. Anilarasu is responsible for supervising Aspen's day-to-day operations, marketing initiatives, investment activities and various business ventures. He plays a vital role in the implementation of quality management systems across the organisation, further solidifying Aspen's commitment to excellence.

Academically, Ir. Anilarasu is well-credentialed, holding a Bachelor of Engineering (Civil) and a Master of Science (Construction Management) from Universiti Teknologi Malaysia. His professional affiliations are equally impressive; he has been a member of the Institute of Engineering Malaysia since May 2009 and an accredited professional member of the Board of Engineers Malaysia since September 2012. These credentials and experiences make him a cornerstone in Aspen's resilient and dynamic leadership team.

Dr. Lim Su Kiat

Non-Independent Non-Executive Director

Dr. **Lim Su Kiat,** renowned for senior roles in high-profile investment management and capital transactions, brings an invaluable depth of knowledge to Aspen's Board. With a diversified career that spans across real estate funds and asset management firms, including Allco Finance, Frasers Centrepoint Group, Rockworth Capital Partners and Firmus Capital, Dr. Lim offers Aspen an expertise in the complexities of investment and asset management.

Dr. Lim's proficiency provides Aspen with strategic insights into real estate markets across Asia, including the economically vibrant region of Japan. He holds directorships in both property funds and asset management.

Dr. Lim's multi-jurisdictional experience offers a comprehensive, nuanced understanding of regional real estate markets. This multifaceted background is instrumental in enriching the collective decision-making process of Aspen's Board. With his contribution, Aspen is exceptionally well-positioned to navigate the intricacies of a volatile and competitive real estate market, ensuring a trajectory towards sustainable success.

Dato' Alan Teo Kwong Chia

Independent Non-Executive Director

Dato' **Alan Teo Kwong Chia,** who is esteemed for his extensive executive experience, has held significant roles in renowned organisations including AIA Berhad, Great Eastern Life and the Genting Group. Specialising in human resources, operations, organisational design, and business process management, Dato' Alan has lent his expertise in management consulting to an illustrious clientele that includes Exxon Mobil, Maxis, Ansel, Beiersdorf, Dairy Farm and HSBC.

With a skill set honed across multiple sectors, Dato' Alan enriches Aspen's Board with invaluable operational insights. His consulting acumen not only complements the existing expertise within the Board but also empowers Aspen to excel in diversified operational facets, both internally and externally.

Dato' Choong Khuat Seng

Independent Non-Executive Director

Dato' **Choong Khuat Seng,** who is distinguished as a multi-disciplined economist and business rights activist, commands an extensive career that spans across several sectors. His experience envelops property construction, building materials, real estate services and property investment. Over the past three decades, Dato' Choong has been at the helm of numerous influential roles that have left a lasting impact on both business communities and public life.

Among his myriad contributions, Dato' Choong has served as Municipal Councillor for the Penang Island Municipal Council, held the presidency of the Penang Master Builders & Building Materials Dealers Association and undertaken the role of Vice President for the Penang Chinese Chamber of Commerce.

Dato' Choong has a Bachelor of Economics (Hons) and a Masters in Business Administration. His contributions were further recognised when he was conferred the esteemed Darjah Setia Pangkuan Negeri (DSPN) in 2011, underscoring his influential role in both the business world and the broader community.

Management Team

Lim Soo Aun

Chief Financial Officer

Mr. **Lim Soo Aun** assumed the role of Financial Controller when he joined Aspen in September 2018 and has since been promoted to Chief Financial Officer. Mr. Lim spearheads Aspen's financial and risk management frameworks, ensuring sound financial health and compliance.

With an impressive career spanning over three decades, Mr. Lim brings a wealth of knowledge in accounting, finance, corporate finance, mergers and acquisitions and operational management to Aspen. His expertise extends to participating in various corporate initiatives in Bursa Malaysia, Dubai International Financial Exchange (DIFX), Singapore Exchange (SGX) and etc.

Before joining Aspen, Mr. Lim served as the General Manager of Leader Steel Holdings Berhad, overseeing a multitude of areas, including daily operational management, profitability, accounting, finance and corporate finance for the entire group. Mr. Lim began his journey in the financial sector in 1989 as part of the audit division at J.B. Lau & Associates (now known as Grant Thornton). Later, he held the position of Director and Senior Consultant at Consulnet Management Services Sdn. Bhd.

Mr. Lim is a graduate of the Institute of Chartered Secretaries and Administrators, United Kingdom (ICSA). He holds several esteemed professional memberships, including Associate Member of the Malaysia Institute of Chartered Secretaries and Administrator (ACIS), as well as accredited as a Chartered Secretary (CS) and Chartered Governance Professional (CGP). With his extensive experience and credentials, Mr. Lim serves as an invaluable asset to Aspen, fortifying its financial standing and operational efficiency.

Zainun Abdul Rahman

Executive Director

Puan **Zainun Abdul Rahman** assumed her role as Executive Director of Aspen in January 2015, overseeing key domains that include but are not limited to legal & corporate affairs, corporate communications, strategic collaborations, business development and governmental and stakeholder liaison. Her role enables Aspen to cultivate strategic partnerships and navigate complex legal landscapes, thereby contributing to Aspen's continued growth and success.

Before her tenure with Aspen, Puan Zainun served as Senior Manager at the Penang Development Corporation (PDC). She was responsible for the implementation of legal principles and business practices, specifically tailored to navigate various complex, state-level project developments.

Puan Zainun is a graduate of the University of Malaya, holding a Bachelor of Laws degree. She also earned a Diploma in Management from the Malaysian Institute of Management (MIM). She is a recipient of several prestigious awards from the Penang State Government. These include the Pingat Jasa Kebaktian (PJK) for exceptional service, the Pingat Kelakuan Terpuji (PKT) for admirable conduct and the Bintang Cemerlang Negeri (BCN) for her outstanding contributions to the state.

Cheah See Peng, Celine

Chief Operating Officer

Ms. **Cheah See Peng** began her journey with Aspen in October 2014 as Design Director. Demonstrating leadership excellence and unparalleled expertise, she was elevated to the role of Chief Operating Officer for the Project Division in February 2019. In this capacity, she takes complete charge of the project division's performance metrics, ensuring timely project delivery while upholding the highest quality of development.

Ms. Cheah brings a wealth of experience in the fields of design and technical management to her role. Her track record showcases not only her extensive experience but also her aptitude for leading teams to achieve exceptional results, particularly in the realms of property development and project management.

Prior to her tenure with Aspen, Ms. Cheah held the position of Design Manager at G&A Consultancy Sdn. Bhd. In this role, Ms. Cheah was accountable for steering and coordinating a multitude of projects. She oversaw the developmental stages and implementation of project construction drawings and detailing, following approved conceptual designs.

Nadiah Wong Abdullah

Divisional Director – Corporate

Puan **Nadiah Wong Abdullah,** our Divisional Director for Corporate, joined Aspen in July 2021. In her pivotal role, Puan Nadiah helms both Legal and Corporate Affairs and Corporate Communications sub-divisions. Her expertise encompasses acquisition of and investment in companies, businesses and properties, joint ventures, financing and security documentations and legal risk management.

Puan Nadiah built a stellar career foundation as a Legal Assistant at Messrs. Azalina, Chan & Chia. She later joined the esteemed firm of Messrs. Murad & Foo in 1998, ascending swiftly through the ranks to become a Partner by year 2000. Puan Nadiah's proven leadership skills and legal acumen were further recognised when she was promoted to Senior Partner, a position she held from 2002 to 2021.

Academically accomplished, Puan Nadiah holds a Bachelor of Laws (Hons) from the esteemed University of London and a Certificate in Legal Practice from the Legal Profession Qualifying Board in Malaysia. Puan Nadiah was admitted as an Advocate and Solicitor of the High Court of Malaya in 1994.

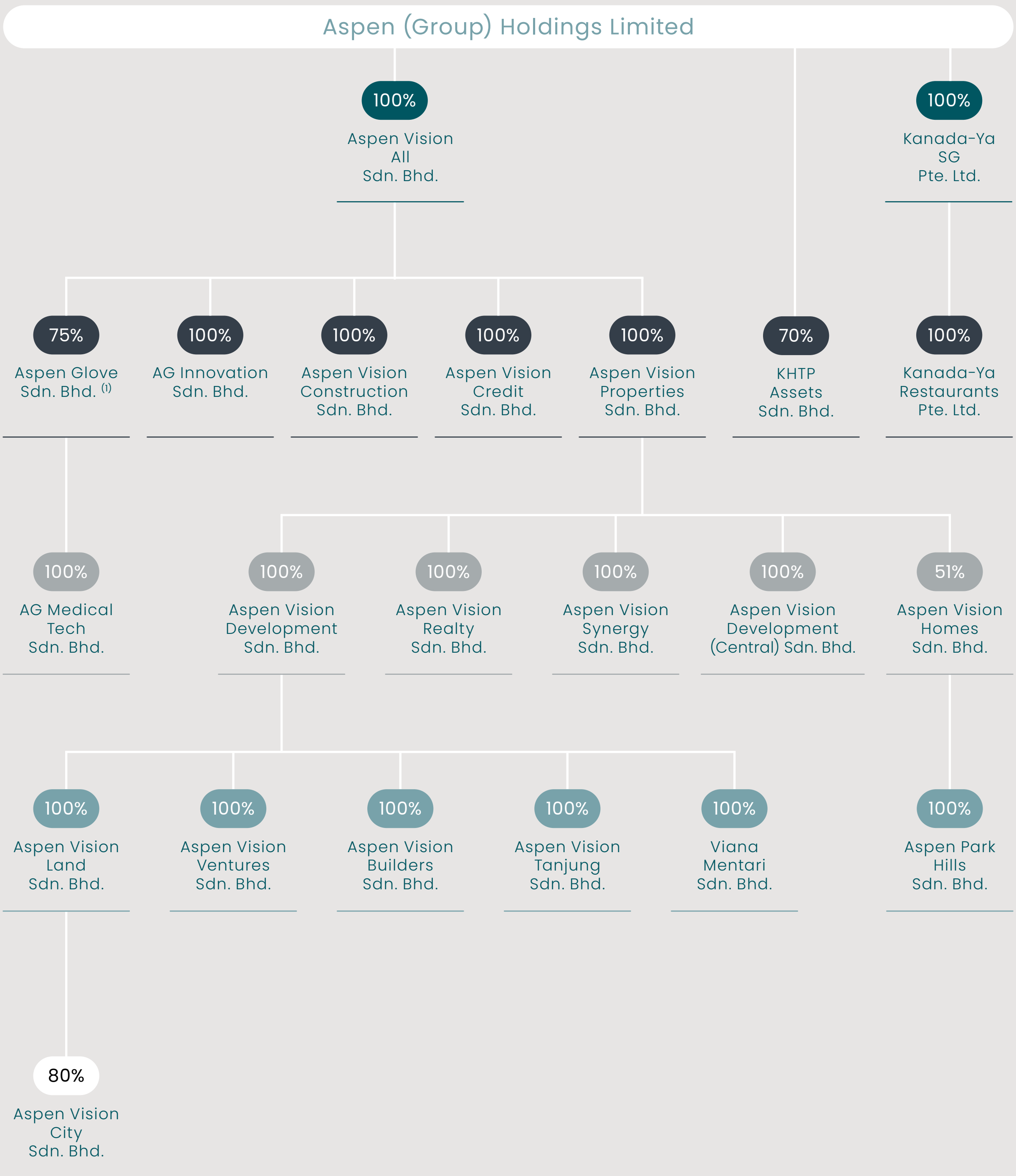
Yew Chai Hock, Ken

Managing Director – Food And Beverage Sector

Mr. **Yew Chai Hock** made a pivotal entry into Aspen in April 2019, when Aspen's subsidiary, Kanada-Ya SG Pte. Ltd., entered into Master Franchise Agreement with Kanada-Ya UK Ltd., securing exclusive master franchisee rights for the distinguished brand across key markets in Singapore, Malaysia and Thailand.

Mr. Yew is highly accomplished in the establishment and operation of both restaurants and bars. He is a seasoned restaurateur, boasting nearly a decade of proven performance in the food and beverage sector. In his current role, Mr. Yew holds the strategic responsibility of crafting and executing high-impact sales and marketing plans for Kanada-Ya. His leadership is instrumental in propelling the brand's market penetration and sustaining its growth trajectory in an ever-competitive landscape and expanding its footprint across Singapore, Malaysia and Thailand.

Corporate Structure



(1) Wound up by Court Order on 18 September 2023

Corporate Information

Board Of Directors

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)

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

Mazars LLP
Public Accountants and Chartered Accountants
135 Cecil Street
#10-01 Singapore 069536
Partner-in-Charge : Mr. Chin Chee Choon
Date of Appointment : 21 December 2021

Principal Bankers

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

Property Development

AVC
ASPEN VISION CITY™

Highlights

- Freehold master plan development
- RM13 billion landmark project jointly developed by Aspen and Ikano Retail
- Comprehensive smart city master plan
- Ground-breaking retail and entertainment experiences
- World-class healthcare facilities
- Meticulously designed as a burgeoning hub
- Sustainable, eco-friendly urban development

Aspen Vision City

Flagship Development: Continuing to Build Upon the Aspen Vision City Legacy

Aspen Vision City (AVC) is a testament to our pioneering spirit and innovative boldness. It has not just made a mark, but is continuing to shape Batu Kawan. This location, once a plantation grove, is now transforming in response to the Penang Development Corporation's clarion call for a dynamic third satellite city.

Propelled by the ambition to revolutionise this enclave, Aspen strategically procured 247 acres of freehold land. This farsighted decision marked the genesis of a flourishing partnership with Ikano Retail, leading Batu Kawan on its journey to become an emblematic cornerstone for Malaysia's Northern Region.

Inspired by a strategic vision and an innovative master plan, Aspen has not only taken the lead but continues to guide the evolution of this sophisticated, self-sustaining and forward-thinking metropolis, now nationally renowned as Aspen Vision City.

Commanding a gross development value of RM13 billion, Aspen Vision City is meticulously planned to draw the focus of domestic and international investors. As a thriving smart city, Aspen Vision City is home to the first IKEA lifestyle store in the Northern Region, the innovative Klippa Drive-Thru and Klippa Shopping Centre.

As a holistic development, Aspen Vision City extends its premier infrastructure and amenities to a wide-ranging variety of residential and commercial offerings.

From opulent designer homes to the region's emerging business district, cutting-edge offices, versatile residences and a transportation hub, all find their place around the tranquil oasis that is the 25-acre Central Park.

Aspen Vision City has already heralded several successful residential and commercial project launches and continues to expand. Since the triumphant debut of Aspen Vision City's initial two phases in 2019, landmark projects such as Vervea, Vertu Resort, Vivo Executive Apartment and Viluxe have significantly graced the city's skyline, enhancing its modern living standards.

To foster Aspen Vision City's growth as an intelligently integrated city in Malaysia and a benchmark for sustainable living, Aspen has cultivated strategic alliances with global industry leaders. These partnerships ensure the delivery of superior services and solutions, adeptly customised to meet the diverse needs of our discerning customers.

Aspen Vision City, having been transformed from a once overlooked tract of land into a distinguished, worldclass metropolis, continues to evolve. This ongoing venture exemplifies Aspen's steadfast dedication to crafting a sustainable and innovative future in redefining urban living experiences.

Sustainability: The Cornerstone of Our Vision

Aspen is tenaciously amplifying its commitment to embedding ESG initiatives into the core of our operations. This steadfast resolve continues to be a guiding force shaping our decisions, business strategies, ambitions and promises across all our ventures.

Our ambition is clear — we aim to secure Green Certification for all our projects. As we continually refine our practices and adapt to reduce our environmental footprint, our dedication to preserve the surrounding communities remains paramount. In this quest, we enthusiastically adopt emerging technologies, cutting-edge practices and a transformative approach to our operational strategies.

Our suite of ESG-focused actions includes:

- Planning and securing of Green Certification for all projects in AVC.
- Committing significant resources towards the Centralised Pneumatic Waste Management System at AVC.
- Utilising eco-friendly construction materials and components to reduce energy consumption and curtail carbon emissions.
- At the inception stage of every project, we envisage a sustainable lifestyle for residents, ingraining the 3R's (Reuse, Reduce, Recycle) as a default way of living.
- Enforcing rigorous monitoring of all construction processes to ensure ESG adherence, particularly concerning waste management and environmental impacts.

IKEA Batu Kawan

Highlights

- A RM1.6 billion investment
- First IKEA store in the Northern Region
- World's largest home furnishing retailer
- Integrated with Klippa Shopping Centre and Klippa Drive-Thru
- Serving a population of more than 6 million within the Northern Region

Total Floor Area
158,081 sqm

The first IKEA store in Malaysia's Northern Region, IKEA Batu Kawan, encompasses a substantial built-up area exceeding 40,000 sqm. This flagship store is wholly owned and operated by Ikano Retail and serves as the anchor of the Klippa Shopping Centre, an expansive retail haven boasting a dynamic blend of retail, entertainment and dining establishments.

IKEA Batu Kawan not only provides the community with contemporary and affordable home and office furnishings but also generates employment opportunities and stimulates economic growth in the surrounding areas. Nestled in the heart of Batu Kawan, it enjoys a strategic position, catering to a catchment population of over 6 million residents in the Northern Region.

IKEA Batu Kawan's contribution leads to the creation of a bustling and vibrant commercial landscape within Aspen Vision City. Furthermore, its convenient location and accessibility via the Penang Second Bridge from Penang Island, as well as major highways such as Lebuhraya Bandar Cassia and the North-South Expressway, make IKEA Batu Kawan a central hub.

IKEA Batu Kawan is poised to be the cornerstone of this burgeoning community, with the goal of transforming Batu Kawan into a thriving hub for commerce and leisure in Penang. The primary focus of this development is to offer regional visitors a comprehensive and convenient customer experience, covering all their shopping, dining, entertainment and leisure needs.

Klippa Shopping Centre and Klippa Drive-Thru

Highlights

- Klippa's first F&B drive-thru in Batu Kawan
- Anchored by IKEA store
- Drive-thru plot with 7 F&B brands and a petrol station
- Owned and manage by Ikano Retail

Gross Leasable Area

148,000 sqm

Slated to span an impressive 148,000 sqm of Gross Leasable Area (GLA) when developed, the Klippa Shopping Centre today offers the Batu Kawan community exciting options to shop, dine and enjoy a great day out with families and friends. The first phase of Klippa Shopping Centre proudly features IKEA Batu Kawan as its anchor, accompanied by 40 other prominent brands. In 2023, Klippa welcomed new brands, which has increased the total GLA to approximately 62,710 sqm.

Designed to cater to today's fast-paced lifestyle, the second phase introduces a convenient F&B drive-thru concept strategically positioned next to IKEA Batu Kawan. The ongoing expansion of Klippa Shopping Centre, currently in the pipeline, is expected to attract even more renowned brands in the future.

The drive-thru features much-loved food brands such as McDonald's Malaysia, KFC, Tealive, A&W, Kenny Rogers Roasters, and The Coffee Bean and Tea Leaf, offering students, professionals and families with more dining choices. Caltex petrol station and an integrated Starbucks drive-thru are scheduled to open in Q2 2024.

The Meeting Place is home to popular brands such as Harvey Norman, TMG Plus, 7-Eleven, Mr. D.I.Y. Plus, Maxis, Huawei, ZUS Coffee, Guardian, Project Rock and more. Klippa Shopping Centre redefines Penang retail with IKEA's allure, diverse F&B, family spaces, green zones and leisure as retail start-up incubators.

Columbia Asia Hospital – Batu Kawan

Highlights

- Leading healthcare establishment with 22 hospitals across Southeast Asia
- 213 beds
- State-of-the-art medical facilities
- Targeted completion in 2026

Total Floor Area
39,306 sqm

As part of its vision to build a self-sustaining smart city, Aspen Vision City has made Columbia Asia Hospital (CAH) an integral part of its master plan. CAH is a renowned multinational hospital chain with medical facilities located all across Southeast Asia.

Spanning 3 acres, the full-service hospital at Aspen Vision City is the only CAH in Penang and the second in Northern Region with 213 beds. The hospital is currently under construction and targeted to be operational by Q1 2026.

Central Park

Highlights

- Spanning 25 acres of green oasis to create a conducive community
- Central blue lagoon with a 52-metre high water jet
- Variety of thematic gardens and creative landscaping
- Pet-friendly public park

Featuring a record-breaking 52-metre high water fountain, Central Park has made a worthy entry into the Malaysia Book of Records. Central Park draws visitors to indulge in an abundance of activities from community events, wholesome family activities to exciting recreational pursuits.

Divided into four unique zones, each with its own captivating repertoire of recreational offerings, the park was officially launched in 2018. Besides leisurely activities, the park is popular for events including wedding proposals, pre-wedding photoshoots, pop-up stores, outdoor fitness programs and kids' activities.

VERVEA®

Vervea

The Premier Business Shop Offices In Batu Kawan

CCC Obtained

Vervea is the largest gated and guarded commercial precinct in the Northern Region of Malaysia. Comprising 434 units of 3 and 4-storey shop offices along with a host of business-enhancing amenities, Vervea promises exponential business and commercial opportunities for various types of enterprises. The development also boasts the longest and the largest Ethylene Tetrafluoroethylene (ETFE) roof canopy in the country, covering the 300-metre High Street that serves as the main artery of the commercial precinct.

Easily accessible from the Penang Second Bridge, North-South Expressway and other major roads, Vervea enjoys high traffic flow from Penang Island, along with the rest of the Northern Region. Vervea's proximity to IKEA Batu Kawan is also expected to boost footfall and spur tremendous commercial growth for business owners within the development.

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

Nestled in the heart of Vervea, The Upper House stands as the landmark business hotel, renowned for its modern comfort and exceptional hospitality. The rooms are fitted with handpicked amenities, ensuring a comfortable and memorable stay. Boasting 89 rooms in total, this modern business hotel features an executive lounge, a meeting room, a rooftop swimming pool and restaurants. Guests can enjoy the convenience of well-equipped facilities while experiencing the warmth of hospitality.

As Aspen Vision City continues to be a booming engine of growth for the Northern Region, Vervea is experiencing a surge in retail activities, attracting a multitude of tenants to establish their presence within the precinct. Vervea is distinctly gaining popularity as a one-stop destination for shopping, food, pharmaceutical and services catering to a diverse cross-section of customers.

Highlights

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

GDV

RM820.9 Mil

Total Floor Area

165,534 sqm

Total Units

Shop Offices	434
Modern Business Hotel	1

VTEC®

Vervea Trade & Exhibition Centre

The Trendy Venue Where Occasions Dazzle

CCC Obtained

Spanning a total area of 38,000 sq. ft., VTEC is purpose-built to bring event experience to a whole new level. Standing tall and elevated on the 12th floor, guests attending events are able to enjoy a stunning 360° panoramic view of Aspen Vision City and Batu Kawan, overlooking vibrant developments and the Penang Second Bridge with an extraordinary sunset view. Its ceiling height and column-free hall space caters for different events and is conducive for a relaxed atmosphere. It is the ideal venue for show-goers and organisers to make their mark and elevate their brand. VTEC provides top-notch facilities to support various functions and occasions such as corporate events, seminars, product launching or even wedding receptions.

Highlights

- 38,000 sq. ft. pillarless hall
- Car platform hoist
- Grand pre-function foyer
- Up to 1,200 seating capacity

Total Floor Area

43,445 sqm

VERTU RESORT

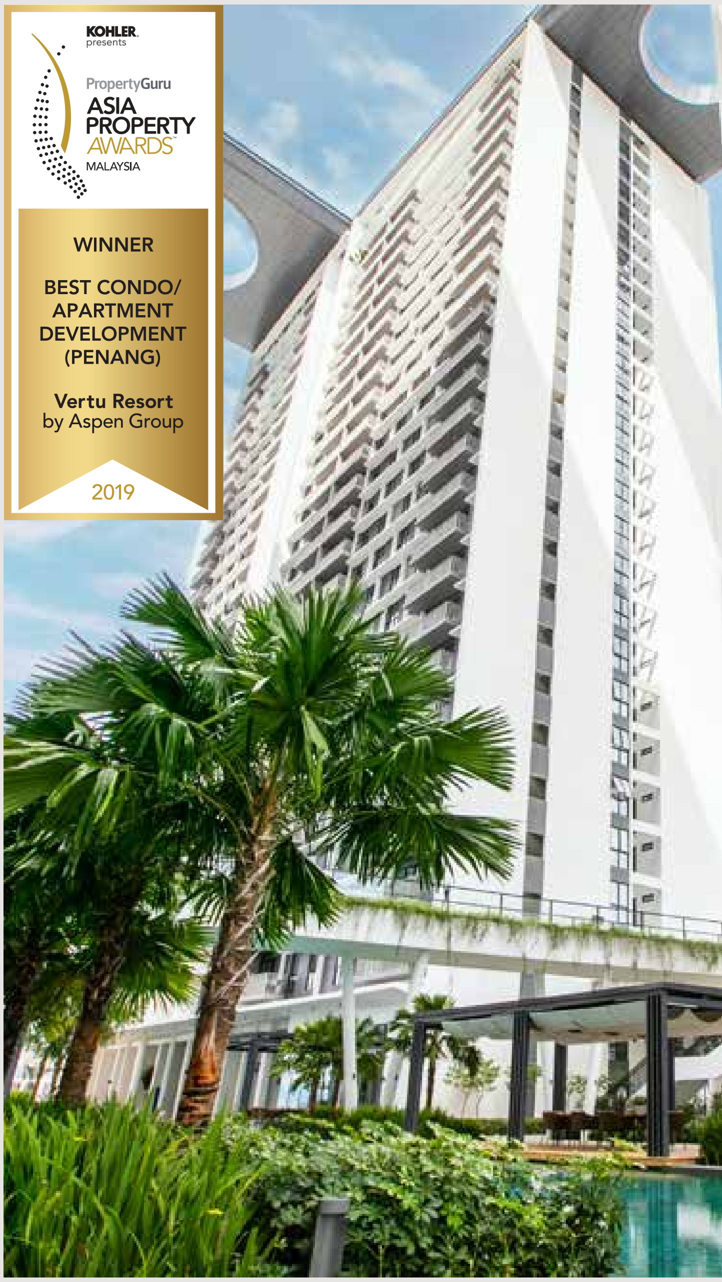
Vertu Resort

Resort-Inspired Living At Its Best

CCC Obtained

Vertu Resort is Aspen Vision City's first residential development and the first resort-inspired high-rise in mainland Penang. The Green Building Index (GBI) Silver-certified development also received a Silver Award by the Malaysian Institute of Architects (PAM) and is constructed with environmental sustainability in mind, with various eco-friendly features built-in.

This fine condominium offers the option of move-in condition with fully-equipped electrical and kitchen appliances as well as home furnishings. Vertu Resort also features luxurious amenities to suit unique individual lifestyles, such as a 152-metre length swimming pool, cocktail & event deck, social kitchen, virtual games room and a spa & wellness centre.



Redefining Convenience: Enhanced and Infused with On-Demand Brilliance

Aspen has taken the courageous step to integrate innovative enhancements that had brought residents to new heights of convenience. These services include a spa & wellness centre, smart parcel locker, semi-automated car wash, guest suites and music room, amongst others.

Highlights

- Freehold
- Silver Award by PAM
- Versatile layout catered for different needs
- 18,580 sqm of facilities spaces
- CCC obtained in April 2021

GDV

RM690.9 Mil

Total Floor Area

131,330 sqm

Total Units

Residential	1,246

Viluxe

Landed Icon for Luxurious Living

Ongoing Development (Phase 1)

Viluxe, the freehold premium landed residence in Aspen Vision City, is conceptualised for those who appreciate the finer things in life. Strategically located next to the 25-acre Central Park, Viluxe is conveniently connected to IKEA Batu Kawan, Klippa Shopping Centre, Klippa Drive-Thru, Vervea, Vertu Resort, Columbia Asia Hospital – Batu Kawan and many more.

Viluxe is an embodiment of affluence and is set to be a prestigious hallmark for landed residential developments on mainland Penang.

Highlights

- Freehold premium landed homes
- Gated and guarded landed community
- Fronting and with exclusive access to the 25-acre Central Park
- Expected completion in 2023

GDV

RM393.8 Mil

Total Floor Area

86,270 sqm

Total Units

Residential	356 (Phase 1 – 174)

VIVO
executive apartment

Vivo Executive Apartment

Create Your Future, Your Way

Ongoing Development

Vivo Executive Apartment offers the best flexibility and function with stylish comfort. Affordably priced, it is conceptualised to appeal to young executives and families. Vivo Executive Apartment can be easily transformed into a workspace that supports even the biggest ambitions, thus turning goals into a reality. It is built with a communal co-working space and a social kitchen for residents to socialise and build networks. Its strategic location within the intelligent and self-sustaining metropolis of Aspen Vision City at Batu Kawan, Penang gives it the unique advantage of being adjacent to Klippa Shopping Centre.

Highlights

- Freehold
- Easy connectivity to Klippa Shopping Centre
- Designed with communal co-working space and social kitchen
- Less than 1km to Batu Kawan Industrial Park
- Expected completion in 2024

GDV

RM602.2 Mil

Total Floor Area

110,149 sqm

Total Units

Residential	**1,530**
Retail	**14**

VERSA™

Versa

Goodness All Around

Ongoing Development

Planned with versatile living in mind, Versa offers a practical solution for first-time home buyers, young families and employees at Batu Kawan.

Situated next to Klippa Shopping Centre, Batu Kawan Industrial Park 1, 2, 3 and Bandar Cassia Technology Park, Versa promises enhanced accessibility and quality of life for residents through proximity to work, leisure and retail components. At the same time, the full-fledged suite of social and recreational amenities provides flexibility for the varying lifestyles of residents. Best of all, Versa's affordability makes it an ideal choice for new entrants to the property market.

Highlights

- Freehold
- Strategically located next to industrial parks, IKEA Batu Kawan, Klippa Shopping Centre and Bandar Cassia Technology Park
- Versatile layouts for different lifestyles
- Designed with full-fledged amenities such as multipurpose sports court, leisure pool and sky garden
- Expected completion in 2027

GDV

RM396.3 Mil

Total Floor Area

64,756 sqm

Total Units

Residential	980
Retail	9

TRI PINNACLE
A VISION OF ASPEN

Tri Pinnacle

Penang's First Privately Initiated Affordable Condominium

CCC Obtained

Tri Pinnacle is the Northern Region's first private-initiated affordable condominium with state-of-the-art rooftop facilities that are often only built for luxurious properties. Widely recognised as the catalyst that inspired a host of similar affordable developments from other private developers across Penang, it is 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 rooftop gymnasium.

Highlights

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

GDV

RM428.4 Mil

Total Floor Area

91,524 sqm

Total Units

Residential	1,317
Retail	4

BEACON
EXECUTIVE SUITES

Beacon Executive Suites

Best Investment Award-Winning Property

CCC Obtained

Strategically located within one of the most well-connected enclaves in Penang, the award-winning 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. Commanding a panoramic 360° view, it houses a full range of lifestyle facilities that includes a swimming pool, indoor gymnasium and many more.

Beacon Executive Suites has set a new standard in living with its comprehensive facilities. Its location and high rental yield earned Beacon Executive Suites the Best Investment High-Rise Development Award at the PropertyGuru Asia Property Awards Malaysia 2022. With a futuristic smart lifestyle at residents' fingertips, Beacon Executive Suites has changed and redefined the landscape of smart living in Penang.

Innovative On-Demand Technologies

At Beacon Executive Suites, we provide innovative urban homes designed to complement and enhance its residents' lifestyle in line with the modern digital era. Residents can access a wide range of cutting-edge lifestyle, security and smart services.

Highlights

- Freehold
- Best Investment High-Rise Development Award by PropertyGuru Asia Property Awards Malaysia 2022
- Sophisticated rooftop sky pool and sky gym
- CCC obtained in May 2021

GDV

RM158.8 Mil

Total Floor Area

24,048 sqm

Total Units

Residential	227
Retail	4

Upcoming Projects in the Pipeline

High demand areas such as Batu Kawan is expected to develop significantly and Aspen is poised to catalyse on ongoing industrial development with supporting commercial projects to build the next economic engine of Penang. We can expect to see a surge of activities in Batu Kawan as the population continues to grow.

In view of this potential growth, Aspen has been working on several residential and commercial pipeline projects in Penang and the Central Region.

COMMERCIAL HUB

Aspen Vision City, Batu Kawan

Aspen plans to develop a commercial hub nestled next to IKEA Batu Kawan, Klippa Shopping Centre and Klippa Drive-Thru. This development will consist of 40 individual title units and is a freehold development with a prominent frontage and high visibility, with all units fronting the main road.

VILUXE (PHASE 2) – LANDED HOMES

Aspen Vision City, Batu Kawan

Viluxe, the one and only premium landed residence in AVC is a conceptualisation of luxurious grandeur. From its iconic facade to its fine fittings, Viluxe is a home that will appeal to those who cherish the finer things that life has to offer.

ALOFT HOTEL

Aspen Vision City, Batu Kawan

Aloft Hotel will be the first international business hotel in Batu Kawan with top notch amenities. Beyond the modern tranquillity, Aloft will be located within close proximity to IKEA Batu Kawan, Klippa Shopping Centre and Central Park.

HH PARK – RESIDENTIAL

Tanjung Bungah, Penang

Strategically located within the much sought-after Tanjung Bungah enclave, surrounded by established residences and affluent communities, HH Park is a freehold development, only 15 minutes away from George Town.

Food and Beverage

Kanada-Ya SG Pte. Ltd.

Aspen ventured into the food and beverage sector in 2019 by securing the master franchise rights from Kanada-Ya UK Ltd., the owner of authentic Japanese ramen dining outlets under the 'Kanada-Ya' brand outside Japan for exclusive territorial rights in Singapore, Malaysia and Thailand. It has been voted the number one ramen in London and has garnered numerous accolades.

With the aim of introducing the authentic, award-winning Japanese ramen to the culinary scene, Kanada-Ya SG Pte. Ltd. is set to further expand its presence in Singapore, Malaysia and Thailand.

Currently, there are 5 outlets in strategic locations at Paya Lebar Quarter, Marina Square, Paragon, Century Square and JEM, Singapore.

The Ripple Effect

Every action, like a stone thrown into water, produces ripples that spread outward, affecting everything in their path. Our business decisions are designed not merely for short-term gains but for long-lasting, sustainable impact. Understanding that these choices will ripple through all our stakeholders — from employees and shareholders to communities and the planet itself — we remain steadfast in our commitment to responsible practices. Whether it's reducing our carbon footprint, promoting ethical sourcing, or empowering underprivileged communities, we aim for sustainable growth that creates positive ripple effects far beyond the balance sheet. These ripples manifest not just in financial metrics but in improved quality of life, environmental preservation and social equity.

Sustainability Report

Contents

About This Report

Who We Are

Aspen sustains its status as a trailblazer in the property as well as food and beverage sectors. Listed on the Singapore Exchange (SGX), our bedrock principles not only guide our corporate activities but also illuminate our responsibilities — ranging from environmental stewardship to societal upliftment, from unimpeachable corporate governance to fostering economic resilience.

It is with a sense of both pride and responsibility that we present our Sustainability Report for the financial year ended 30 June 20203 (FY2023). This comprehensive document serves as a transparent lens through which you can view our robust sustainability performance, alongside a spectrum of related ESG matters.

FY2023 has been a watershed year for Aspen, marking significant strides in our ESG journey. Our focal point has been the meticulous management of climate risk, evidenced by the reduction of our Scope 1 and Scope 2 Greenhouse Gas (GHG) emissions. Aligning closely with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD), we have also undertaken a rigorous assessment of both the perils and prospects that climate change presents, crafting a suite of responsive mitigation strategies.

At the heart of Aspen are our people — our most invaluable resource. Our ethos places a premium on dedication, yet it is equally committed to enriching and empowering our staff. This year's figures speak for themselves: 100% of our property development sector workforce and 86% of our food and beverage sector workforce are local hires respectively. 100% of procurement for our property development sector is from local suppliers — a double-pronged contribution to the local economy. Adding to our civic pride, we have achieved zero lost-time injuries and a spotless record of zero reported grievances and incidents of corruption for FY2023.

In a world rallying behind the United Nations' 2030 Agenda for Sustainable Development, Aspen proactively echoes this global call. Our commitment is crystallised this year through the adoption of six United Nations' Sustainable Development Goals (UN SDGs). These initiatives are not mere pledges; they are concrete actions. They encapsulate our unwavering resolve to be an active participant in the worldwide momentum towards achieving Net Zero by 2050.

Reporting Boundary and Scope

Aspen's Sustainability Report covers FY2023. This report also references Aspen's FY2022 Sustainability Report which covers a period of 18 months from 1 January 2021 to 30 June 2022 due to the change in the Aspen's financial year end ending last year. Our sustainability disclosures for this reporting period comprise data from Aspen (Group) Holdings Limited and its subsidiaries as listed below:

Property Development Sector:

- Aspen Vision All Sdn. Bhd.
- Aspen Vision City Sdn. Bhd.
- Aspen Vision Tanjung Sdn. Bhd.
- Aspen Vision Construction Sdn. Bhd.
- Aspen Vision Properties Sdn. Bhd.
- Aspen Vision Development Sdn. Bhd.
- Aspen Vision Realty Sdn. Bhd.
- Aspen Vision Synergy Sdn. Bhd.
- Aspen Vision Development (Central) Sdn. Bhd.
- Aspen Vision Homes Sdn. Bhd.
- Aspen Vision Land Sdn. Bhd.
- Aspen Vision Ventures Sdn. Bhd.
- Aspen Vision Builders Sdn. Bhd.
- Aspen Vision Credit Sdn. Bhd.
- AG Innovation Sdn. Bhd.

Food and Beverage Sector:

- Kanada-Ya SG Pte. Ltd.
- Kanada-Ya Restaurants Pte. Ltd.

Reporting Standards and Framework

Aspen's Sustainability Report was prepared per Rule 711B, Mainboard Rules of the Singapore Exchange Securities Trading Limited (SGX-ST) Listing Manual with reference to the Global Reporting Initiative (GRI) Standards. The report is also aligned with the Sustainability Reporting Guide (Practice Note 7.6) of the Listing Manual, the TCFD recommendations and the UN SDGs.

Internal Review and Assurance

All data contained in Aspen (Group) Holdings Limited's FY2023 Sustainability Report has been internally sourced, verified and validated by the respective business sectors and information owners. The reporting process and contents of the sustainability report were also reviewed by Aspen's Internal Audit Committee and consideration of the Board, management and other stakeholders' expectations are included in the report's material ESG factor prioritisation. Moving forward, Aspen remains diligent in continuously improving our data collection and analysis processes to enhance data accuracy and quality as well as improve disclosures.

Feedback

We welcome comments and feedback from our stakeholders to enhance our sustainability performance and initiatives. Please contact us at: corporate@aspen.com.my

Our President and Group CEO's Message

ESTEEMED STAKEHOLDERS,

The UN's 2030 Agenda for Sustainable Development is not merely a call to action — it is a clarion call for a global awakening. And for us at Aspen, it is a rallying cry that sits at the zenith of our corporate priorities. The sustainability landscape is not just a checkbox; it forms the very foundation upon which the success and expansion of our enterprise rests. We firmly believe that our ESG initiatives are not just supplemental — they are integral to our business model, shaping our very identity.

This fiscal year has been a milestone for us in ways more than one. We were the proud recipients of two distinguished accolades — Best Investment High-Rise Development Award by PropertyGuru for Beacon Executive Suites and the Silver Award in the Multiple Residential (High-Rise) category at the Malaysian Institute of Architects Awards 2022 for Vertu Resort. These are not merely trophies on a shelf; they are testaments to our ceaseless drive to incorporate eco-friendly architecture and pioneering green solutions. Our focus is firmly set on the Green Certifications - milestones we intend to achieve with full fervour.

In a world grappling with environmental challenges, we have gone above and beyond the call of duty to reduce our carbon footprint. Not just limiting this to boardroom talks, we have taken tangible steps to bring about significant change in our food and beverage sector. Through energy and water conservation tactics - aligned with Singapore National Water Agency's recommendation - we have achieved quantifiable improvements.

Community first — that is our mantra. A whopping 88% of our food and beverage expenditures fuel the local supply chain, thereby amplifying our positive impact on the community's economic well-being, all while reducing our environmental toll. But we do not stop there. Our people — the lifeblood of Aspen — benefit from extensive training and development programmes. In fact, we have clocked in a colossal 1,508 training hours aimed at elevating their skills. When it comes to diversity, we do not just talk the talk. The nearly balanced gender ratio of 46:54 in our workforce is evidence of our commitment to inclusivity and equality.

As we look into the future, we recognise the pivotal importance of being both flexible and forward-thinking. Our ESG goals are broken down into manageable, targeted chunks, short-term deliverables and long-term aspirations. From incorporating energy-efficient systems in the immediate future to aspiring to be a forerunner in sustainable property development, we are poised to make a lasting impact that extends far beyond our corporate walls.

As we chart our course towards a more sustainable, equitable and prosperous future, your ongoing support and collaborative spirit are invaluable. Together, we will shape the landscape of sustainability, setting new benchmarks for what can be achieved.

Dato' M. Murly
President & Group Chief Executive Officer

Our Sustainability Milestones

Achievements

With a focus on our four sustainability pillars, FY2023 proved to be an instrumental year for us in attaining our sustainability goals. Hence, our accomplishments are a testament to our continuous efforts to enhance our sustainability performance.

Economic

- RM**13.179** million economic value distributed for employee wages and benefits
- Achieved **86%** local employees in our workforce
- **100%** of materials were procured locally for our property development sector
- **88%** of expenditure on local suppliers for our F&B sector

Environment

- Aligned climate-related disclosures with **TCFD** recommendations
- Achieved **22%** reduction in electricity consumption
- Achieved **48%** and **21%** reductions of Scope 1 and Scope 2 GHG emissions, respectively
- Achieved **22%** reduction in water consumption

Social

- Achieved **Zero** lost time injuries and fatalities for **357,044** hours of work
- Achieved a total of **1,508** training hours
- Workforce comprised an almost equal men to women ratio at **46:54**

Governance

- **Zero** reported incidents pertaining to anti-corruption
- **Zero** incidents of regulatory non-compliances
- **Zero** reported cases of employee grievances

Memberships

In our effort towards integrating ESG into our business value chain, Aspen actively participates in the following industry associations. Aspen is a member of:

- The International Real Estate Federation, Malaysian Chapter (FIABCI Malaysia)
- Real Estate & Housing Developers' Association (REHDA)
- Construction Industry Development Board (CIDB)

Our Sustainability Journey

Aspen has made significant strides in our sustainability journey since we began our reporting in 2019. With the aim of embedding ESG elements into our properties and restaurants, we employ relevant strategies and industry best practices to elevate our sustainability performance and management. Our progressive journey underlines our commitment to sustainable living that can benefit present and future generations.

FY2019	• Conducted materiality assessment and identified eight material ESG factors	• Aligned sustainability report with Catalist Rules (Section B), SGX-ST Listing Manual, GRI standards and UN SDGs	• Achieved the Green Building Index certification for Vervea
FY2020	• Conducted materiality re-assessment on the 2019 material ESG factors and realigned our priorities in 2020	• Updated sustainability report alignment with Rule 711B, SGX-ST Listing Manual, and maintaining the rest of the applied standards and framework	• Achieved the Malaysia Landscape Architecture Awards for Tri Pinnacle
FY2021-FY2022	• Conducted materiality re-assessment and identified nine material ESG factors	• Maintained alignment of sustainability report with the previous year's framework	• Achieved the Green Building Index – Silver Certification for Vertu Resort
FY2023	• Conducted materiality re-assessment and identified 12 material ESG factors	• Adopted TCFD recommendations	• Planning in progress to obtain GreenRE certification for Vivo Executive Apartment and Viluxe (Phase 1)

Embedding ESG Within Aspen

Our ESG Framework

At the helm of Aspen's ESG Framework is our vision and mission statements which are fundamental to our sustainability strategy. The framework encapsulates our contributions to our four sustainability pillars and the UN SDGs which outline our ESG focus areas. Using this framework as our guide, we have put in place the necessary policies and standard operating procedures to integrate ESG across Aspen.

Vision	Mission
Grow global, Stay agile	Accelerate our scalable journey towards globalisation with excellent corporate governance, sustainable environment stewardship, empowered social inclusion and disruptive digital transformation

Our Sustainability Pillars

Economy | Environment | Social | Governance

Our Material ESG Factors

Economy
- Economic Impact

Environment
- Energy Consumption and Climate Resilience
- Water Stewardship
- Waste Management

Social
- Occupational Health and Safety
- Human Capital and Diversity
- Talent Development and Management
- Supply Chain Management
- Product Quality
- Community Enrichment

Governance
- Corporate Governance and Anti-Corruption
- Legal and Regulatory Compliance

Our Stakeholders

Regulators or Government | Shareholders and Investors | Customers | Employees | Contractors | Community

Our Sustainability Commitments

7 AFFORDABLE AND CLEAN ENERGY | 8 DECENT WORK AND ECONOMIC GROWTH | 11 SUSTAINABLE CITIES AND COMMUNITIES | 12 RESPONSIBLE CONSUMPTION AND PRODUCTION | 13 CLIMATE ACTION | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Our Alignments

Mainboard Rules of the Singapore Exchange Securities Trading Limited Listing Manual	Global Reporting Initiative Standards	Task Force on Climate-Related Financial Disclosures Recommendations	United Nations Sustainable Development Goals

Our ESG Key Performance Indicators (KPIs)

We developed ESG KPIs relevant to our material ESG factors for the purpose of tracking our progress, improve our ESG performance and contribute to our sustainability agenda as a whole. Our KPIs apply to both the property development as well as food and beverage sectors.

Additionally, we have introduced sector-specific ESG KPIs for the property development sector as an initial step in our ESG performance monitoring and we plan to finalise ESG KPIs for the food and beverage sector next year.

ESG KPIs for Aspen

Material ESG Factors	ESG KPI
Water Stewardship	• Organise at least **1** initiative annually for water saving awareness/ campaign across Aspen. • To replace fittings with water efficiency fittings (i.e.: low flow taps).
Occupational Health and Safety	• Record and report the number of work-related injuries annually. • Achieve zero lost-time injuries. • Achieve zero fatalities.
Talent Development and Management	• Implement an annual employee satisfaction survey.
Corporate Governance and Anti-Corruption	• To provide communication on the Anti-Bribery and Anti-Corruption Policy (ABAC Policy) for employees and contractors annually.

ESG KPIs for the Property Development Sector

Material ESG Factors	ESG KPI
Energy Consumption and Climate Resilience	• To obtain at least minimum Green Certification rating upon the completion of upcoming projects.
Waste Management	• Track the total general waste and construction waste (timber) produced annually. • Track the annual quantity of recycled waste (steel bars). • Implement 3Rs (Reduce, Reuse, Recycle) initiatives across Aspen. • To reduce landfill waste and increase recyclable waste in accordance with the Green Certification requirements. • Achieve **100%** waste segregation by general, construction and recycled waste at source.
Human Capital and Diversity	• Conduct **3** employee engagement activities to promote cohesive work culture.
Community Enrichment	• Conduct at least **5** community-related/CSR activities.
Economic Impact	• Source at least **90%** of procurement from local suppliers.

Our Global Agenda

Aspen addresses global issues that have significant impact including climate action, protection of labour rights, energy efficiency and the development of sustainable cities. As such, we have aligned our initiatives pertaining to these issues with the relevant UN SDGs. Our property development and food and beverage sectors in turn, meet specific UN SDG targets that underpin our sustainability goals.

7 AFFORDABLE AND CLEAN ENERGY

Target 7.3:
By 2030, double the global rate of improvement in energy efficiency.

Our Initiative:
- Continuous monitoring of energy consumption and implementation of initiatives for energy reduction.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

Target 12.5:
By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Our Initiatives:
- Equipped all development projects with recycling bins and e-waste collection bins.
- Conducted a waste management campaign in FY2023.
- Recycled 102 tonnes of rebars from the project construction sites.

8 DECENT WORK AND ECONOMIC GROWTH

Target 8.5:
By 2030, achieve full and productive employment and decent work for all workers.

Target 8.8:
Protect labour rights and promote safe and secure working environments for all workers.

Our Initiatives:
- Safety, Health & Environment (SHE) Policy in place.
- Conducted annual Training Needs Analysis.
- Conducted a performance appraisal and career development review for FY2023.
- Provided proper accommodation for construction workers off-site.

13 CLIMATE ACTION

Target 13.1:
Strengthen resilience and adaptive capacity to climate-related hazards.

Our Initiatives:
- Water-efficient commercial dishwashers at five Kanada-Ya outlets aligned with recommendations of the Singapore National Water Agency.
- Open design of the corporate office dining area ensures the use of natural lighting and ventilation as an energy-saving feature.

11 SUSTAINABLE CITIES AND COMMUNITIES

Target 11.b:
By 2020, substantially increase the number of cities and human settlements implementing initiatives towards inclusion, resource efficiency, mitigation and adaptation to climate change, resilience to disasters.

Our Initiatives:
- Vervea, Vertu Resort, Vivo Executive Apartment and Viluxe have been certified under the Green Building Index (GBI).
- Building Management System in place at Vertu Resort to monitor and optimise the use and efficiency of its supervised subsystems to allow more efficient operations.
- Conducted quality assessments prior to the vacant possession stage in property projects.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Target 16.5:
Substantially reduce corruption and bribery in all their forms.

Target 16.6:
Develop effective, accountable and transparent institutions at all levels.

Our Initiatives:
- Established ABAC Policy and Whistleblowing Policy.
- Adhered to the Code of Corporate Governance 2018 in conjunction with the Listing Manual of SGX-ST requirements.

Our Sustainability Governance Structure

Aspen's robust and comprehensive governance structure primarily drives our sustainability practices and matters. Our three-tiered sustainability governance structure consists of the Board of Directors (the Board), the Sustainability Committee and the Sustainability Working Group. Overall, this governance structure administers matters pertaining to Aspen's sustainability initiatives, the materiality matrix, the Sustainability Report and other aspects that are most important to us.

Roles and responsibilities defined at each level:

Board of Directors	Sustainability Committee	Sustainability Working Group
• Provides strategic oversight of ESG matters across Aspen, including climate-related matters. • Approves Aspen's material ESG factors. • Supports implementation of Aspen's sustainability initiatives. • Approves Aspen's Sustainability Report.	• Informs the Board on sustainability initiatives and risks identified, including climate-related risks. • Determines and reviews material ESG factors relevant to Aspen. • Leads the implementation of sustainability initiatives at management level. • Reviews Aspen's Sustainability Report.	• Identifies key material ESG topics relevant to Aspen. • Implements the sustainability initiatives at the operational level. • Benchmarking, tracking and recording performance data on ESG topics for the Sustainability Report.

Communicating With Our Stakeholders

We believe that effective communication with our stakeholders is vital to Aspen's long-term sustainable growth. As a result, we engage with our stakeholders on a regular basis, as their insight on key issues impacting our business is essential to our company's success.

Key Stakeholder Groups	Our Engagement	Areas of Concern	Our Response
Shareholders & Investors Provide financial capital support for Aspen to sustain growth	• Annual General Meeting, Extraordinary General Meeting, Annual Report, Sustainability Report	• Corporate governance and corporate social responsibility	• Strengthen internal SOPs to ensure compliance with the relevant laws and regulations
	• Virtual information session and daily face-to-face sessions and calls	• Food quality	• To maintain food quality and standards
Regulatory Agencies/ Government Set and assess compliance with national laws and regulations	• Site visits and inspections	• Anti-corruption policy	• Introduced Anti-Corruption Framework Manual to elaborate on the principles set out in the ABAC Policy
	• SGXNet Announcement, annual and financial report	• Listing rule and regulatory compliance	• Establishment of Corporate Disclosure Policy and all relevant policies and procedures to ensure compliance
	• Restaurant inspections	• Food safety	• To make changes as per recommendations from authorities and statutory bodies from the F&B sector

Key Stakeholder Groups	Our Engagement	Areas of Concern	Our Response
Customers Customer feedback and trends provide impact on short-term and long-term business sustainability	• Survey and project handover	• Customer experience	• Conduct customer experience survey
	• Product launches, promotions and informative brochures	• Product affordability, quality and praticality	• Improve product quality and marketing initiatives based on feedback received
	• Regular engagement via websites, e-mails, social media platforms and mobile applications	• Project details	• Circulate marketing collaterals of our development projects
	• Face-to-face visitor and consumer feedbacks	• Food quality and service	• Consider and adapt to consumer feedback accordingly
Employees Support the fulfilment of high-quality products for the market and deliver Aspen's business strategy	• Townhall session and weekly face-to-face sessions and calls, regular meetings, briefings and yearly performance appraisal	• Welfare of employees, communication and workplace environment and job security	• Implement Employee Self-Service (part of new HR system) to enhance employee experience
	• Regular training	• Learning and development	• Implement the 'Human Resources Development Fund's Allocation Plan' to enhance training and development
	• Regular engagement surveys	• Food quality and service	• To ensure employees implement correct working habits

Key Stakeholder Groups	Our Engagement	Areas of Concern	Our Response
Contractors Support the services needed to ensure timely completion and delivery	• On-site meetings	• Occupational Health and Safety	• Conduct regular construction site visits and inspections to advocate best practices
	• Monthly phone calls and messages	• Product quality and timeliness of services	• To ensure suitable contractors are engaged for the job
Community Community participation is essential for Aspen to establish strong relationships and build reputation	• Charity and community engagement events	• Contribution to the community	• Conduct regular corporate social responsibility programmes
	• Website and social media engagement	• Impact of Aspen's operations on the community	• Consider and adapt to community needs

Our Sustainability Priorities

Materiality Reassessment

This year, Aspen conducted a materiality reassessment in line with Rule 711B, Mainboard Rules of the SGX-ST Listing Manual. We evaluated the material ESG factors that affect our business strategy and stakeholder value creation. Our materiality reassessment followed a four-step process from identification to validation.

Materiality Matrix

Identify

Relevant material topics were identified through research, benchmarking against industry's best practices and assessment of Aspen's priorities.

Rate

Stakeholders were engaged in ranking each material ESG factors affecting the business and stakeholder perspectives via an online form.

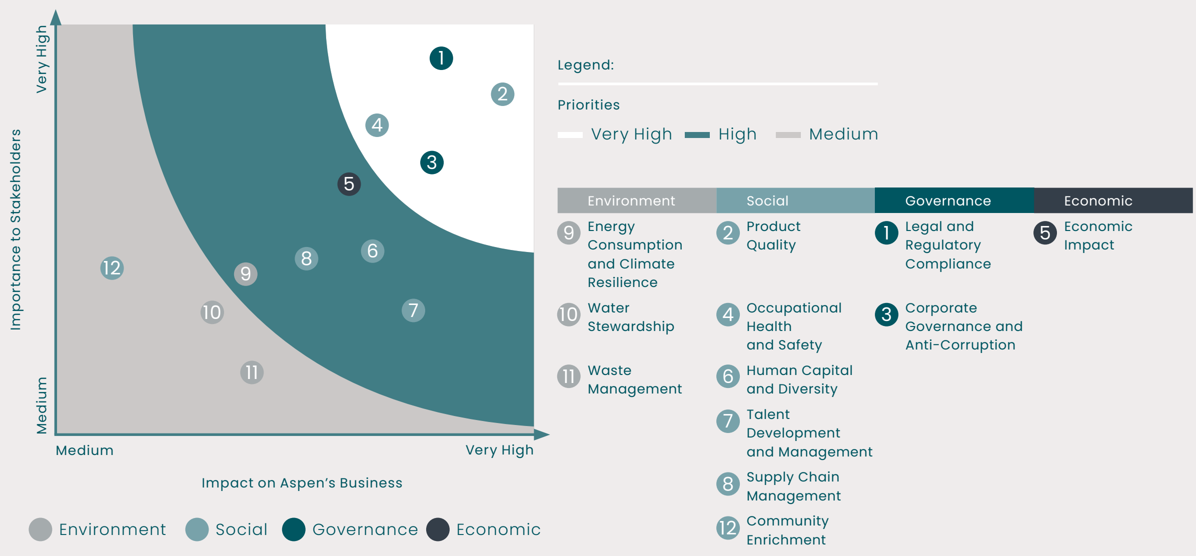
Prioritise

Stakeholders' responses were collected and the priority of each material ESG factor was visualised using a materiality matrix.

Validate

The materiality matrix was reviewed and validated by the Sustainability Committee and approved by the Board.

Based on our materiality reassessment, we have updated our materiality matrix to incorporate the following 12 material ESG factors that are aligned with the SGX-ST Listing Manual. The materiality matrix illustrates the ranking of our material ESG factors based on their importance to us and our stakeholders.



The four highest ranked material ESG factors for Aspen in FY2023 were Legal and Regulatory Compliance, Product Quality, Corporate Governance and Anti-Corruption, and Occupational Health and Safety.

For FY2023, three new material ESG factors were introduced: Legal and Regulatory Compliance, Economic Impact and Supply Chain Management. These new material ESG factors are crucial to the management of risks and opportunities that may impact Aspen's business and operations.

Mapping Our Material ESG Factors

Our material sustainability matters are closely linked to our operations, sustainability performance and relationships with our stakeholder groups. The mapping below outlines the significance of our material sustainability matters to Aspen, corresponding to the standards and global goals we adhere to and the stakeholder groups with which they interact.

Material ESG Factors	GRI Indicator	Stakeholder Groups	Relevant UN SDGs
Environment			
Energy Consumption and Climate Resilience	**302:** Energy 2016 **305:** Emissions 2016	• Regulatory Agencies and Statutory Bodies • Shareholders and Investors	7 AFFORDABLE AND CLEAN ENERGY 13 CLIMATE ACTION
Water Stewardship	**303:** Water and Effluents 2018	• Regulatory Agencies and Statutory Bodies • Local Communities and NPOs	11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Waste Management	**306:** Waste 2020	• Regulatory Agencies and Statutory Bodies • Local Communities and NPOs	12 RESPONSIBLE CONSUMPTION AND PRODUCTION
Social			
Occupational Health and Safety	**403:** Occupational Health and Safety 2018	• Regulatory Agencies and Statutory Bodies • Employees	8 DECENT WORK AND ECONOMIC GROWTH
Human Capital and Diversity	**401:** Employment 2016 **405:** Diversity and Equal Opportunity 2016 **406:** Non-discrimination 2016	• Employees	8 DECENT WORK AND ECONOMIC GROWTH

Talent Development and Management	401: Employment 2016 404: Training and Education 2016	• Employees	8 Decent Work and Economic Growth
Supply Chain Management	2-6: Activities, value chain and other business relationships 204: Procurement Practices 2016 414: Supplier Social Assessment 2016	• Shareholders and Investors • Suppliers • Customers • Local Communities and NGOs	11 Sustainable Cities and Communities 12 Responsible Consumption and Production
Community Enrichment	413: Local Communities 2016	• Customers • Local Communities and NGOs (including local authorities)	11 Sustainable Cities and Communities 16 Peace, Justice and Strong Institutions
Governance			
Corporate Governance and Anti-Corruption	2-23: Policy Commitments 2-26: Mechanisms for Seeking Advice and Raising Concerns 205: Anti-Corruption 2016	• Regulatory Agencies and Statutory Bodies • Shareholders and Investors • Customers • Employees	8 Decent Work and Economic Growth 16 Peace, Justice and Strong Institutions
Legal and Regulatory Compliance	2-13: Delegation of Responsibility for Managing Impacts 2-25: Processes to Remediate Negative Impacts 2-27: Compliance with Laws and Regulations 3-3: Management of Material Topics	• Regulatory Agencies and Statutory Bodies • Shareholders and Investors • Customers • Employees	16 Peace, Justice and Strong Institutions
Economy			
Economic Impact	201: Economic Performance	• Shareholders and Investors • Employees	8 Decent Work and Economic Growth
Product Quality	416: Customer Health and Safety 2016	• Regulatory Agencies and Statutory Bodies • Customers • Suppliers	11 Sustainable Cities and Communities 12 Responsible Consumption and Production

Our Path to Decarbonisation

Task Force on Climate-Related Disclosures

The impacts of climate change are apparent all over the world. Widespread degradation of the ecosystem's structure, function and natural adaptive capacity has occurred due to climate change and resulted in adverse socioeconomic consequences globally.[1] Recognising this, Aspen has initiated efforts to include considerations of climate-related risks and opportunities in the strategic management of our business.

Operating in the property development and food and beverage sectors, we are responsible for the overall master planning, design and provision of facilities for our property development projects and provision of food and beverage services as well as how they may contribute to or be impacted by climate change. We acknowledge the potential adverse impacts of climate change on Aspen, the environment and the community as a whole. This reporting year, we debuted our climate-related initiatives by aligning our disclosures with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations.

Governance

The Board and Management sets the direction of Aspen's climate governance. Climate change considerations are incorporated into Aspen's business decision-making processes. This year, we outlined the climate-related duties and responsibilities of both sides in order to assure a unified commitment to climate action to be implemented in the following year.

Board Responsibilities	Management Responsibilities
• The Board oversees Aspen's risk identification and management including climate-related risks and opportunities.	• The Management identifies and assesses strategic and operational risks to Aspen's business goals, including climate-related risks and opportunities.
• The Board also oversees and approves Aspen's sustainability initiatives, including climate-related initiatives.	• The Management leads the implementation of sustainability initiatives including climate-related initiatives.

[1] IPCC, 2022: Summary for Policymakers [H.-O. Pörtner, D.C. Roberts, E.S. Poloczanska, K. Mintenbeck, M. Tignor, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem (eds.)]. In: Climate Change 2022: Impacts, Adaptation, and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change [H.-O. Pörtner, D.C. Roberts, M. Tignor, E.S. Poloczanska, K. Mintenbeck, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem, B. Rama (eds.)]. Cambridge University Press, Cambridge, UK and New York, NY, USA, pp. 3-33, doi:10.1017/9781009325844.001.

Strategy

For FY2023, Aspen identified potential impacts of climate-related risks and opportunities on our business value chain and divided them into two categories: Transition Risks and Physical Risks.

Transition Risks: Climate-Related Risks, Impacts and Opportunities			
Risk	Description	Impact	Opportunities
Policy and Legal	• Enhanced Greenhouse Gas (GHG) reporting obligations and potential carbon tax requirements	• Potential costs from non-compliance penalties	• Prevention of losses incurred from penalties and fines
	• Expectations and standards of low-carbon buildings and construction materials	• Increase in cost for low-carbon design and construction	• Increase in demand for low-carbon eco design properties due to regulations and standards imposed
	• Expectations and standards for eco-friendly materials in the food and beverage sector	• Increase in cost for use of eco-friendly materials in the food and beverage sector	• Increase in demand for eco-friendly materials due to new standards imposed on the food and beverage sector
Technology	• Costs for transitioning to climate-responsive design and low-carbon construction materials	• Increase in expenditure to adopt and implement new climate-responsive technology and materials	• Opportunity to lead new climate-responsive property offerings
	• Costs for transitioning to energy-saving equipment and facilities to reduce carbon footprint in the food and beverage sector	• Increase in expenditure to adopt and implement new energy-saving equipment and facilities in the food and beverage sector	• Cost-saving opportunities as a result of reduction in energy consumption

Transition Risks: Climate-Related Risks, Impacts and Opportunities			
Risk	Description	Impact	Opportunities
Market	• Cost of construction materials	• Increase in cost of property due to increasing cost of material input	• Opportunity to anticipate price fluctuation and account for it in advance in final pricing
	• Cost of food and beverage supplies	• Increase in cost of food and beverage to customers due to increasing cost of raw materials and supplies	• Opportunity to account for price fluctuation in advance and set suitable pricing
Reputation	• Customer awareness and changes in customer preferences	• Fluctuations in revenue due to customers adaptation and reception of new low-carbon properties	• Opportunity to raise awareness and promote low-carbon properties to stakeholders including potential customers
	• Customer awareness and changes in customer's food products and services preferences	• Fluctuations in revenue due to customers adaptation and reception of sustainable food products and services	• Opportunity to raise awareness and promote sustainable food products and services to potential customers

Physical Risks: Climate-Related Risks, Opportunities and Impacts			
Risk	Description	Impact	Opportunities
Acute	• Severity and frequency of extreme climate-related events	• Increase in capital costs due to damage to property and assets in high-risk locations	• Opportunity for early preparedness towards climate-related disasters with plans, processes and technology in both sectors that can mitigate the severity of damages resulting from the impacts of extreme climate-related events
Chronic	• Changes in weather patterns and rising mean temperatures	• Increase in operating costs due to disruptions in supplies and resources and reduced revenue from slower property sales outcomes	• Opportunity for early preparation and adoption of plans, processes and technology for both sectors that are climate-resilient in comparison with industry peers

Risk Management

Aspen plans to begin implementing climate-related risk identification through our risk management framework in the coming year. This process will entail conducting risk identification and management as part of our efforts to safeguard the fulfilment of our strategic objectives and value creation.

Risk Identification Process	Risk Management	Integration in Aspen's Risk Management
• Regular reviews of the risks that are significant to the fulfilment of Aspen's business objectives	• The adequacy of internal controls for overall risk management is reviewed on an annual basis	• Annual risk register reports any significant business and operational risks including climate-related risks and identifies their corresponding action plans

Metrics and Targets

Aspen initiated our first climate-related target setting this year which will be fully implemented by FY2024. Our metrics and targets cover Scope 1 and Scope 2 GHG emissions tracking and our climate-related ESG KPIs.

Metrics and Targets	
GHG Emissions Target	Organisational Metrics and Targets
• Monitor and disclose GHG emissions for Scope 1 • Monitor and disclose GHG emissions for Scope 2	• Obtain Green Certification rating upon the completion of upcoming projects. • Track the total general waste and construction waste (timber) produced annually. • Track the annual quantity of recycled waste (steel bars). • Implement 3Rs (Reduce, Reuse, Recycle) initiatives across Aspen's subsidiaries. • To reduce landfill waste and increase recyclable waste in accordance with Green Certification requirements. • Achieve 100% waste segregation by general, construction and recycled waste at source. • Organise at least one water saving initiative annually for both the property development and food and beverage sectors. • To replace current fixtures with water efficiency fittings for both the property development and food and beverage sectors.

Economic Performance

Material ESG Factors	Economic Impact

Economic Impact

Aspen recognises the importance of economic sustainability and striking a balance between economic growth, financial performance and sustainable practices across our business operations. Our financial performance for FY2023 consists of direct economic value generated and economic value distributed as outlined in the table below:

Economic Impact	Amount (RM'000)
Economic value generated (Revenue)	270,043
Operating costs	366,121
Employee wages and benefits	13,179
Payments made to providers of capital (dividends)	nil
Payments to government (taxes)	12,375
Community investments	32

Aspen implemented new initiatives to maintain our financial performance for FY2023. We executed a targeted campaign through sales promotions, roadshows and social media that focused on optimising the sales of existing property units.

Initiatives	Description
Promotional campaigns	Engaged with prospective buyers through Huge Merdeka Reward, Flash Sales Special Offer, Deals of Decade, Riang Raya Promo, Corporate Privilege Programme, Aspenormous CNY 2023.
Roadshows/ Mobile Roadshows	Increased frequency of roadshows at shopping malls (four roadshows in Queensbay Mall from September 2022 – January 2023), at factories in the vicinity of Aspen Vision City and increased frequency of mobile roadshows.
Digital Marketing	Social media platform such as Facebook, Instagram, YouTube, Google and LinkedIn to boost brand visibility and secure sales.

Target Moving Forward

To implement at least 5 promotional initiatives for Aspen.

Environmental Stewardship

Material ESG Factors	Energy Consumption and Climate Resilience	Water Stewardship	Waste Management

Aspen acknowledges the impact that our business activities may have on climate change, water security and waste management on a global scale. We continue to address these global environmental concerns which are part of Aspen's material ESG factors.

We are dedicated to achieving Green Certification in order to develop high performance green buildings that are energy, water and resource efficient. We also adhere to best practices and local standards in our food and beverage sector to optimise our electricity and water usage.

Ultimately, we aim to manage our environmental impacts, improve our climate risk management practices and accelerate our decarbonisation efforts, supported by our alignment with the TCFD recommendations.

Energy Consumption and Climate Resilience

The effects of climate change are evident today with rising global surface temperatures, erratic weather patterns and rising sea levels. We believe that climate mitigation and adaptation are relevant in today's scenario – hence, it is pivotal that we monitor our progress to ensure that we contribute to sustainable development.

> **THE SCIENTIFIC EVIDENCE IS UNEQUIVOCAL:**
>
> Climate change is a threat to human well-being and the health of the planet. Any further delay in concerted global action will miss the brief, rapidly closing window to secure a liveable future.
>
> - Intergovernmental Panel on Climate Change

i. Property Development Sector

Aspen embraces the responsibility to promote greener construction and buildings in accordance with Penang's long-term goals to accelerate the transformation of the sustainability and quality of buildings and townships. Thus, our largest metropolis development, Aspen Vision City consists of property development projects built according to green township guidelines and aimed at Green Certification.

Energy Saving Initiatives in the Property Development Sector

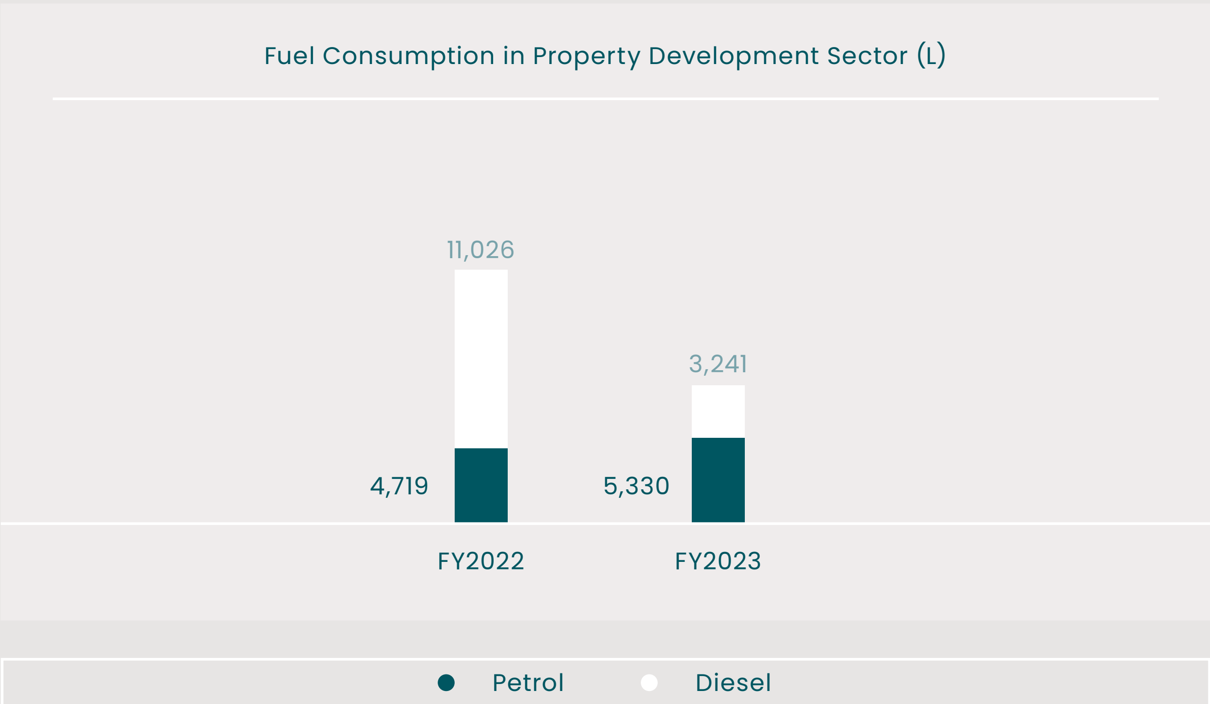
Energy Optimisation	Energy Use Reduction	Equipment Maintenance
Air conditioning units and water jets in fountains are only switched on when necessary	Adopt energy-saving fittings	Perform routine maintenance of equipment

ii. Food and Beverage Sector

Aspen is conscious of the role we play in reducing our carbon footprint through our Kanada-Ya outlets in Singapore. All Kanada-Ya outlets adhere to a strict protocol to ensure that unused equipment is switched off to prevent wasteful consumption of electricity.

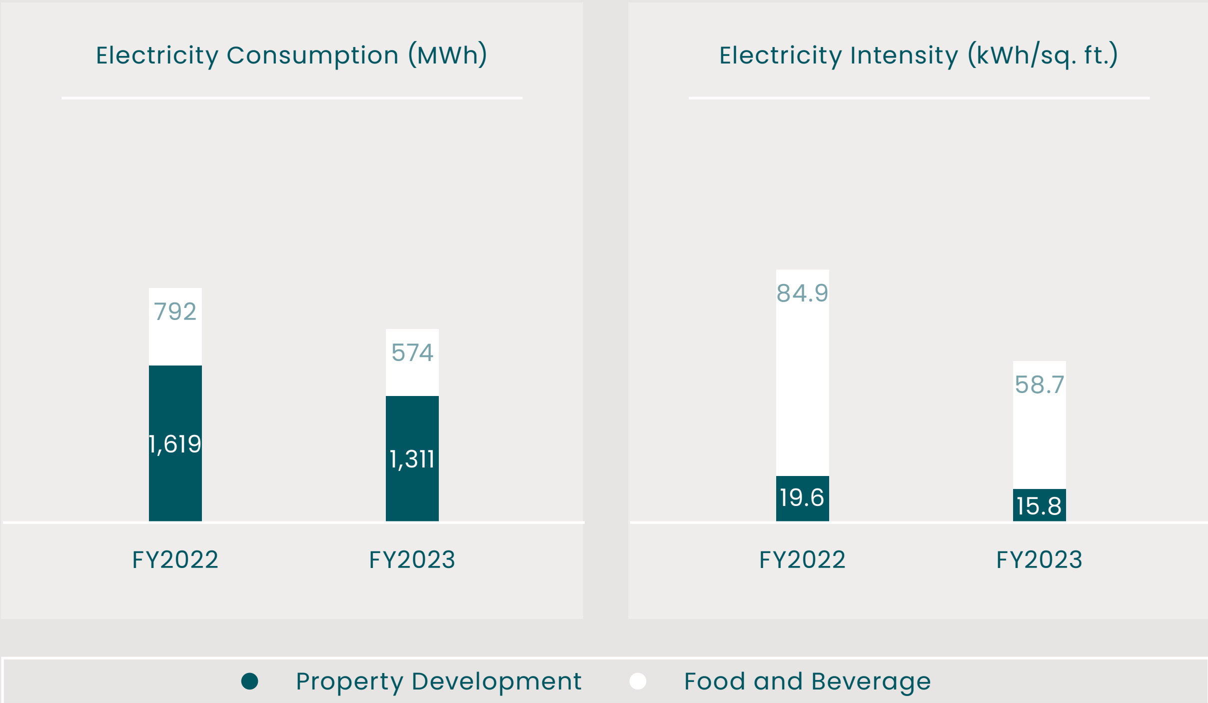
Energy Performance

Aspen utilises direct and indirect sources of energy in our day-to-day operations. The direct sources of energy utilised by our operations in our property development sector consist of petrol and diesel.



We are proud to report a decrease in fuel consumption across our operations. In this reporting year, we consumed a total of 8,571 litres of fuel at our property development sector, a 46% decrease from the previous year.

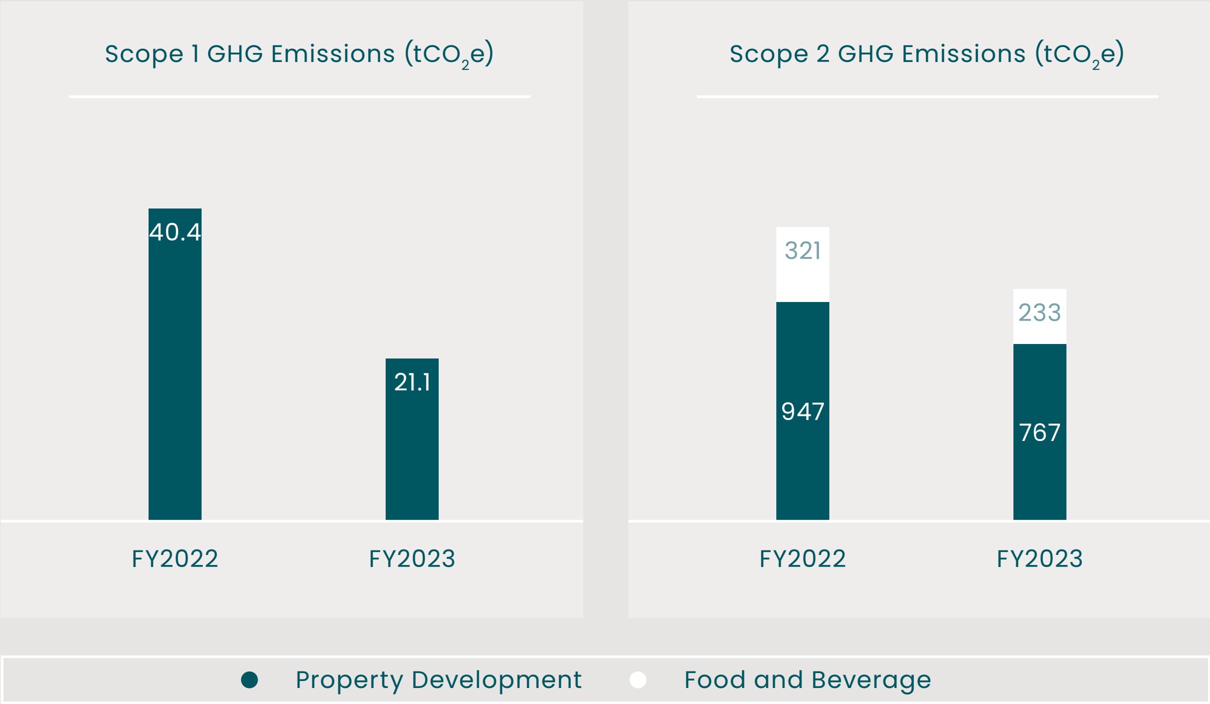
A significant amount of Aspen's total energy consumption and operational expenditures are attributable to indirect energy which is purchased electricity.



Cumulatively, our electricity consumption decreased by 22% from FY2022 to FY2023. The decrease in electricity consumption was most evident in the property development sector. We also recorded electricity intensity in order to define our energy use per floor space area of our operations and to measure energy efficiency. Electricity intensity reduced by 19% and 31% at our property development and food and beverage sectors respectively. The property development sector is more energy efficient compared to the food and beverage sector in both FY2022 and FY2023. Restaurants typically use significant energy to power cooking equipment, refrigeration units, dishwashers, AC systems and lighting.

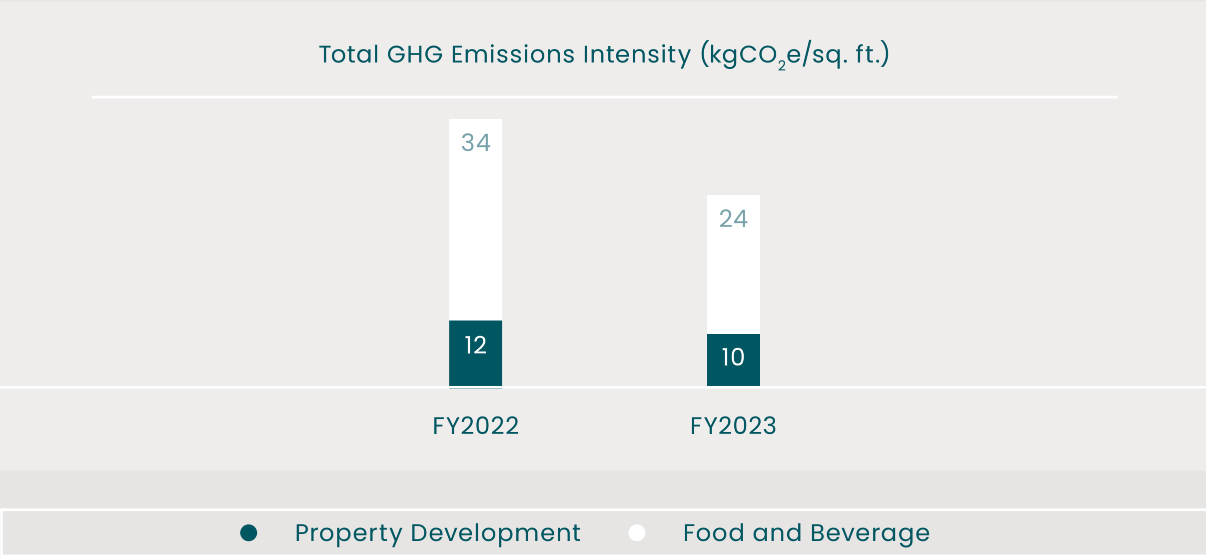
Climate Change and Greenhouse Gas Emissions

We continue to record our Scope 1[2] and Scope 2[3] GHG emissions across our operations. In FY2023, Aspen generated a total of 1,020.9 tCO_2e of GHG emissions, a 22% decrease from the previous reporting year with electricity usage being our largest source of emissions, reported under Scope 2 (98%). The property development sector accounted for all of Scope 1 emissions and the majority of Scope 2 emissions.



From FY2022 to FY2023, our Scope 1 emissions decreased by 48% while our Scope 2 emissions decreased by 21%. In FY2022, we collected data for 18 months in adjustment with our new period of reporting which recorded higher emissions. Moving forward, Aspen is working towards reporting our Scope 3 emissions.

[2] Emissions resulting from the direct combustion of carbon-based fuel sources, such as diesel or petrol. Scope 1 was calculated using emissions factors from the UK Government GHG Conversion Factors for Company Reporting 2023.
[3] Emissions resulting from the purchase of grid electricity, generated in part from the combustion of carbon fuels, such as coal or natural gas. The emission factor from the 2017 CDM Electricity Baseline for Malaysia by the Malaysian Green Technology Corporation was used to calculate Scope 2 emissions. The emission factor for electricity generation in Singapore was obtained from the 2021 Energy Market Authority.



Our total GHG emissions intensity reduced by 22% compared to the previous year across Aspen. This reduction is attributed to the longer period of data collection in the previous year due to the adjustment of our reporting period. We aim to continuously improve our efficiency through various energy reduction initiatives such as our initiative last year, i.e. replacing desktop computers with laptops at our corporate office as laptops generally consume less energy.

Target Moving Forward

To conduct at least 1 energy sustainability awareness or energy saving initiative.

Water Stewardship

Water is one of the most valuable natural resources for our business operations, especially in the construction process. Aspen is committed to improving the efficiency of our properties and restaurants through sound water management practices that also reduce wasteful consumption.

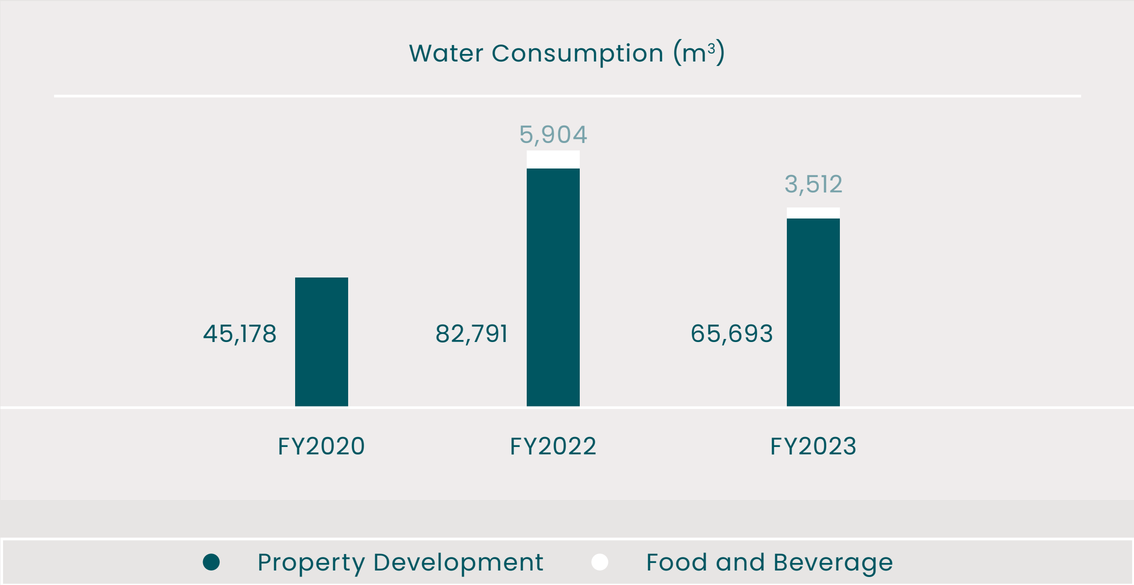
i. Property Development Sector

Aspen is mindful of the significance of managing water as a limited resource, given that the construction process consumes a substantial quantity of it. As such, we ensure that our development projects are not situated in water-stressed regions.

In construction sites, treated water is withdrawn from an authorised source and discharged via a designated sanitary and sewerage system in accordance with local regulations. As required by each project's specific environmental impact assessment, the water discharge quality is monitored in accordance with Department of Environment standards.

ii. Food and Beverage Sector

Our Kanada-Ya outlets are situated in Singapore where water is in finite supply, hence, water management and conservation are of utmost importance. In this reporting period, water-efficient commercial dishwashers have been installed at new Kanada-Ya outlets in line with water efficiency requirements mandated by the government.



Overall, our water consumption reduced by 22% from FY2022 to FY2023, with the majority of Aspen's water consumption attributed to the property development sector (95%). Potable water is primarily used for sanitation purposes on our construction sites, while our commercial buildings use it for lavatories, irrigation and washing.

Target Moving Forward

- To be in compliance with Green Certification standards for all upcoming developments.
- To fit water efficiency fittings (i.e. low-flow taps).

Waste Management

Aspen manages waste at our properties and restaurants responsibly. We recognise that efficient waste management is crucial to prevent unwanted pollution and litter from contaminating our environment and threatening the well-being and comfort of the communities around us.

i. Property Development Sector

In advancing our sustainable construction practices, we use a closed-loop strategy that enables materials and components to be recovered, utilised and recycled numerous times during the span of their life cycle. Furthermore, to manage waste that is imported or generated on site, we implemented a waste management plan and have set targets to recycle or salvage 75% of the volume of non-hazardous construction debris. We have also determined specific roles and responsibilities for the project manager, safety officer, quantity surveyor and site engineer to manage waste according to the construction waste management plan.

The majority of our waste is generated by our development project sites. To encourage recycling, all of our development project sites have been equipped with recycling and e-waste collection bins. Waste disposal and recycling are carried out by third-party licenced contractors and we monitor our waste management initiatives to ensure compliance with GBI, GreenRE and other Green Certification bodies.

We organised a campaign to encourage responsible e-waste handling among our staff as part of our commitment to foster a sustainable value chain. During the campaign, electrical and electronic refuse were transported to a reputable e-waste management company.

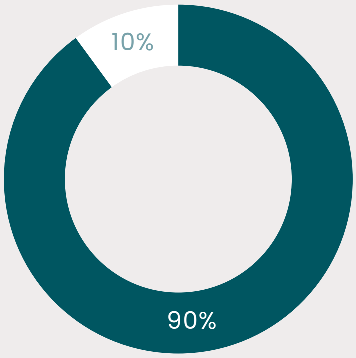
Recycling initiatives

Recycle Bins	Aluminium Formwork
At Vertu Resort's construction site, we provided skip bins at designated areas for the sorting of non-hazardous materials for recycling during construction and to ease collection.	Reusable and recyclable system formworks had been deployed in the construction of Vivo Executive Apartment and Viluxe.

Moving forward, we plan to incorporate materials with recycled contents such as reinforced steel bars (rebar), reinforced fabric of steel (BRC) and cement as early as the design phase.

Breakdown of the waste generated from Aspen's ongoing projects such as Vivo Executive Apartment and Viluxe:

Waste Generated at Property Development Sector (tonnes)



Note: Waste data was only recorded from Vivo Executive Apartment and Viluxe

Rebars used in our construction activities which account for 10% of our total waste generated were diverted from the landfill and sent to third-party recycling centres.

Target Moving Forward

To be in compliance with Green Certification standards.

ii. Food and Beverage Sector

The Singapore government implemented a Zero Waste Masterplan in 2019 with specific goals aimed at decreasing national waste generation. As the nation moves towards a circular economy, Singapore seeks to achieve a 70% overall recycling rate by 2030. Aspen aims to improve the tracking of waste data at our restaurants and will continue implementing measures to reduce waste generation in our day-to-day operations.

In FY2023, our Kanada-Ya outlets produced 6.3 tonnes of waste which primarily consisted of wet tissues, takeaway containers, packaging for kitchen ingredients and food waste. However, we strive to minimise our food waste by maintaining careful inventory and stock-taking in order to avoid over-ordering of ingredients.

Social Responsibility

Material ESG Factors	Occupational Health and Safety	Human Capital and Diversity	Talent Development and Management	Supply Chain Management	Product Quality	Community Enrichment

Aspen is committed to instilling a working environment that empowers and motivates employees to perform to their fullest potential. We continue to invest in our people through various holistic developmental programmes while upholding a diverse, resilient and adaptable workforce.

As a property developer, we aim to redefine sustainable living by creating homes that are affordable. We design our townships to have an ideal balance of space, lifestyle, green features and convenience that will elevate the community's standard of living as a whole.

Occupational Health and Safety

We go the extra mile to ensure the well-being of our people across our operations with relevant procedures and policies in place. The Board oversees the implementation of health and safety procedures as well as other SOPs while ensuring adherence to Aspen's Safety, Health and Environment (SHE) Policy. An annual group-wide risk assessment identifies potential hazards or weaknesses in our Occupational Safety and Health (OSH) procedures and outlines remedial actions to address any issues.

i. Property Development Sector

Aspen's SHE Policy places equal importance on the safety and well-being of all personnel working within our premises including external contractors, suppliers and visitors. It guides Aspen in preventing accidents and work-related illnesses and minimising environmental impacts. The SHE Policy is circulated to all relevant parties and reviewed frequently in line with the legal requirements in relation to OSH.

SHE Policy Commitments

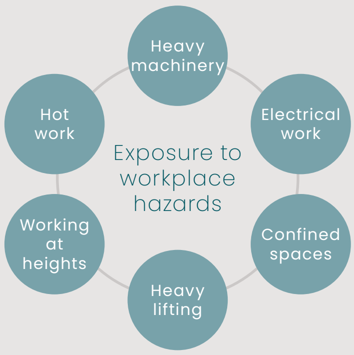
- Observe all applicable laws and regulations concerning safety, health and environmental legislations and other SHE requirements.
- Monitor the effectiveness of SHE provisions within the workplace.
- Provide clear instruction, information, adequate training and facilities to ensure employees can do their work competently.
- Conduct regular policy reviews and to continually improve risk assessment and management processes.

To identify workplace hazards and ensure all activities adhere to regulatory requirements, we put in place an SOP Manual which includes detailed guidelines for monthly worksite inspection procedures and audits. SHE site inspections are conducted with reference to Aspen's SHE Policy as well as the Occupational Safety and Health (Amendment) Act 2022 (OSHA), Factories & Machinery Act 1967 (Revised 1974) (FMA), Environmental Quality Act 1974 (EQA) and other related Acts.

SHE Requirements Plan

Our robust process for evaluating our contractors ensures that they comply with OSH compliance standards. Through our SHE Requirements Plan, our contractors are able to plan and manage their safety and health hazards, risks and environmental aspects following applicable legislation and requirements. Aspen implements immediate control measures via the issuance of the Corrective Action Request (CAR) to address all instances of identified non-conformances.

Hazard Identification, Risk Assessment and Risk Control



An integral component of Aspen's management of health and safety matters is regular risk assessments to identify hazards and risks that could cause potential harm. This is conducted through the Hazard Identification, Risk Assessment and Risk Control (HIRARC) process. Prior to the commencement of any work, the HIRARC, and Environmental Aspects and Impact Assessments are carried out to formulate effective control and mitigation measures for identified significant hazards and risks.

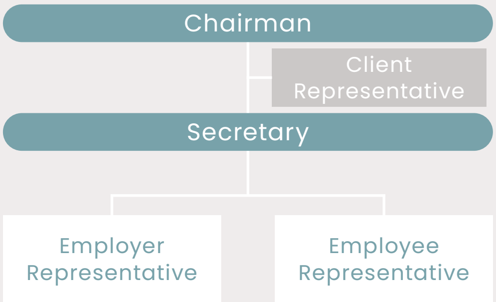
Emergency Preparedness

Our contractors are required to develop an Emergency Response Plan (ERP) for handling and mitigating potential emergency situations and to conduct emergency training and drills for emergency preparedness at sites. Any incident involving health and safety including 'near-misses' and first aid is reported to the Emergency Response Team (ERT) which comprises site personnel and subcontractor staff.

SHE Committee

A separate committee is established for each project site which convenes every quarter to discuss all SHE issues. Aspen complies with the legal requirement to form a SHE Committee for every workplace with more than 40 workers.

Aspen has set up several platforms such as SHE Committee meetings held monthly and Mass Toolbox meetings held weekly for the discussion and consultation of the SHE issues.



SHE Training, Awareness and Competence

Information on SHE is communicated to employees by the Safety & Health Team during the induction programme. At worksites, the main contractor is responsible for identifying necessary training and verifying that all employees are prepared to perform the work as contracted and have attended the Construction Industry Development Board Malaysia (CIDB) Green Card Induction Course. Employees are trained on general SHE requirements, site-specific rules and regulations as well as the proper use of equipment and materials.

We continuously encourage our employees to stay abreast of current developments surrounding safety and health in the industry. In FY2023, Aspen's employees had participated in the following programmes:

- 14th NRG-SHE Occupational Safety & Health Conference 2022
- The 8th Master Builders Association Malaysia (MBAM) Seminar on Occupational Safety & Health & Workshop on OSHCIM-Accident Prevention by the industry for the industry
- Fire Risk Assessors Course: Sustainable Disaster Management

ii. Food and Beverage Sector

At our Kanada-Ya outlets, we ensure that the safety of our employees and customers is managed through timely risk assessments and the establishment of the Risk Assessment and Safety Committee whose members have distinct roles and responsibilities.

Head of Committee

- Vet and approve new risk controls
- Identify risks at outlets (Service/Kitchen/Central Kitchen)

Leader

- Implement new risk controls
- Supervise and ensure risks at the workplace are minimised
- Identify risks at outlets (Service/Kitchen/Central Kitchen)

Member

- Supervise and ensure risks at the workplace are minimised
- Identify risks at outlets (Service/Kitchen/Central Kitchen)

In order to minimise safety risks, we provide safety training to our employees. Relevant information on occupational safety and health is communicated to employees via notice boards at restaurants. Additionally, all our premises are under CCTV surveillance to prevent crime and employee misconduct. This also aids in monitoring and improving productivity.

Through our risk assessment, we identified several potential hazards with corresponding risk priorities and implemented the necessary maintenance measures to mitigate these safety hazards.

Our OSH Performance

Adopting a stringent stance on OSH is essential for Aspen's continual application, enhancement and performance in this respect. Workplace injuries are investigated to determine the root cause before the implementation of preventive measures. This effort has been progressively successful in maintaining our record of zero work-related injuries in FY2023. We continue to monitor our health and safety performance in order to evaluate its current effectiveness and identify areas for enhancement in accordance with industry standards.

OSH Performance in FY2023

357,044

Total work hours

Zero

Work-related injuries and fatalities

Zero

Lost Time Injury frequency rate

i.	Property Development Sector	FY2020	FY2022	FY2023
	Total number of hours worked	480,480	762,840	352,820
	Number of work-related injuries	0	0	0
	Number of fatalities	0	0	0
	Lost Time Injury frequency rate	0	0	0

ii.	Food and Beverage Sector	FY2020	FY2022	FY2023
	Total number of hours worked	4,224	4,224	4,224
	Number of work-related injuries	0	0	0
	Number of fatalities	0	0	0
	Lost Time Injury frequency rate	0	0	0

Target Moving Forward

To maintain zero lost time injuries and zero fatalities.

Human Capital and Diversity

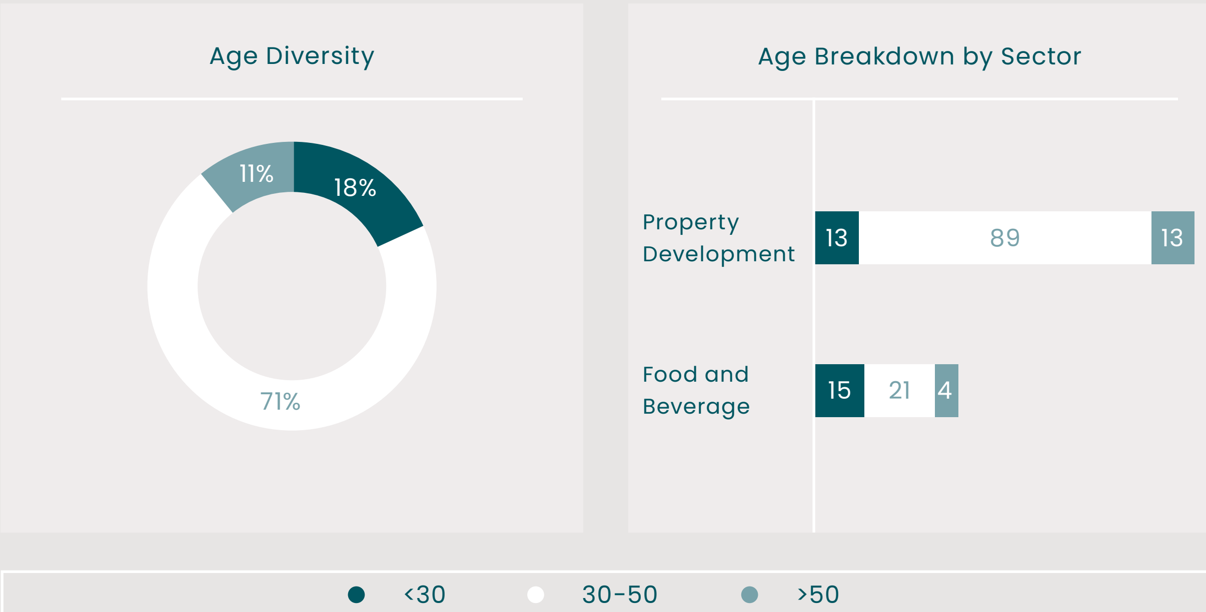
Diversity and inclusivity are at the core of our business operations. We embrace differences in culture as well as in business philosophies which contribute to a dynamic work environment. Aspen's approach to recruitment, promotion and training processes is based on equal opportunity and zero discrimination in terms of gender, ethnicity, religion and age.

This reporting year, at the property development sector and food and beverage sector, our employees are 100% and 86% local, respectively, reflecting our support for the local employment pool across our sectors. We outsourced 25 workers which consisted of sanitation and security personnel across our departments.

Through our corporate policies and practices, we seek to sustain positive working relationships and establish ourselves as a responsible employer. Aspen has documented zero instances of workplace discrimination for FY2023.

Workforce Diversity

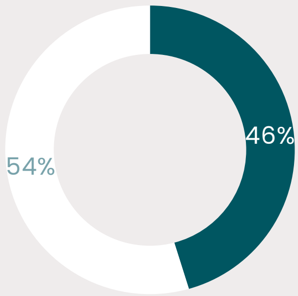
As of June 2023, Aspen employed 155 personnel. Permanent employees made up the majority of Aspen's staff this reporting year.



Aspen has a diversified workforce that spans all age categories. 71% of our workforce was between the ages of 30 and 50 in FY2023, contributing fresh perspectives and experience to our organisation.

Aspen promotes gender equality throughout the organisation, which will continue to be a top priority for us moving forward, as we support a culture of inclusivity.

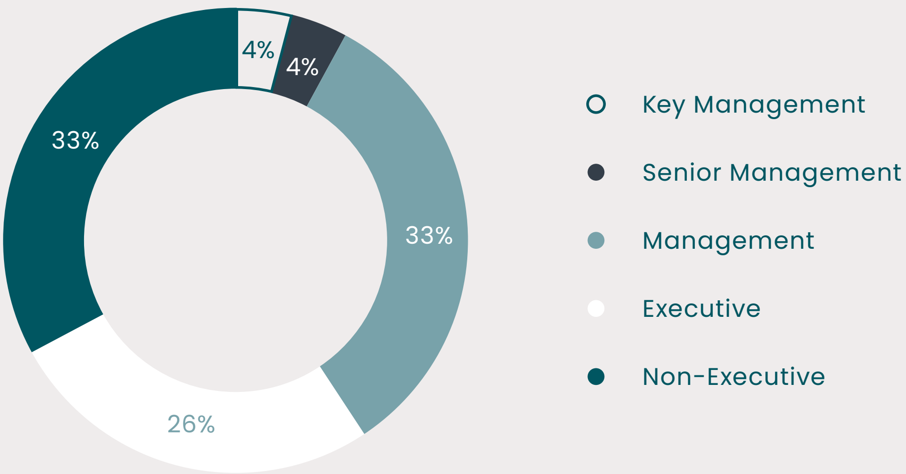
Gender Diversity



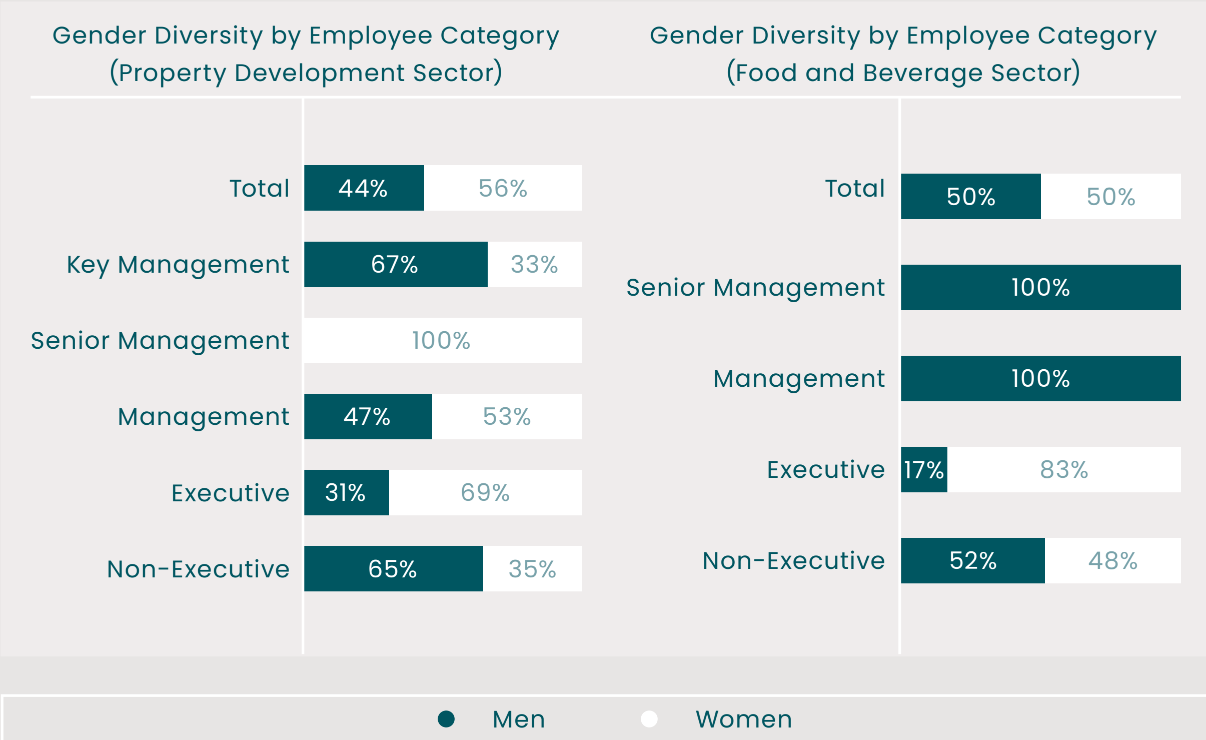
Gender Breakdown by Sector

Across Aspen, our workforce comprised an almost equal proportion of men and women at a ratio of 46:54. We offer equal opportunities to men and women and prohibit gender-bias discrimination in our hiring processes.

Employment Categories



Our workforce remains a diverse group of skilled and qualified individuals across multiple employment levels. At 33%, Management and Non-Executive levels made up the majority of the workforce followed by executives.

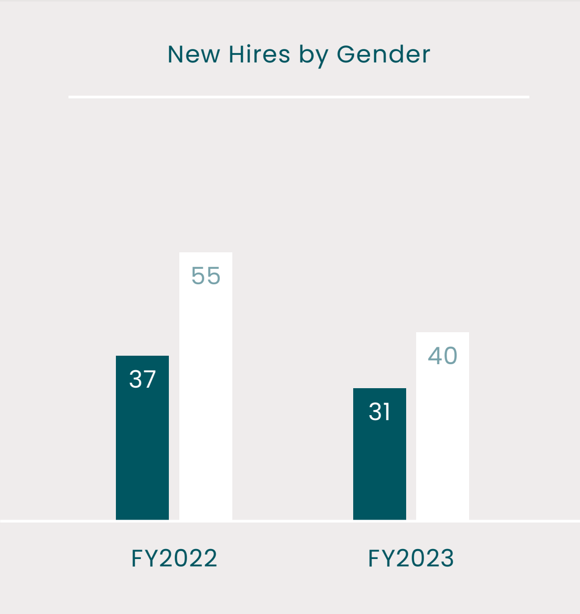


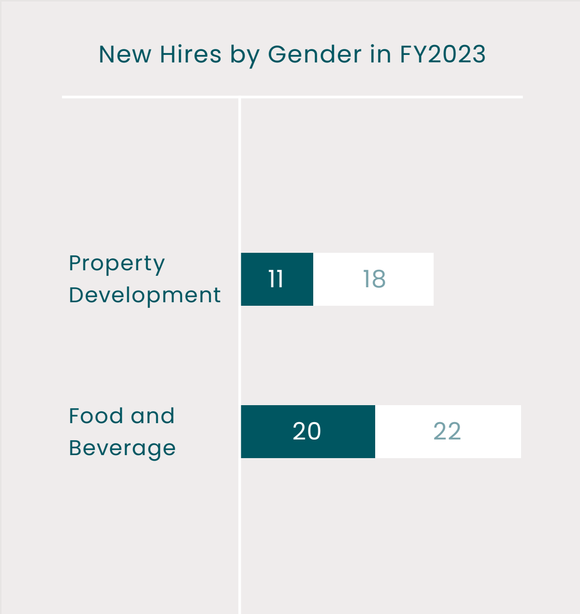
In our property development sector, we are pleased to report that women hold the majority of positions within our workforce at a total of 56% in FY2023. As such, there are more women in Management and Executive roles with 100% female representation in the Senior Management category.

Overall, in our food and beverage sector, there was an equal representation of men and women. Men also made up 100% of Management and Senior Management roles in FY2023.

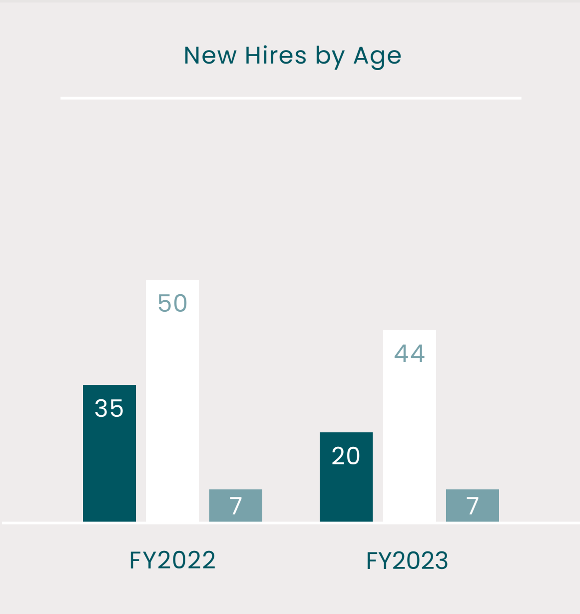
Employee Recruitment and Turnover

Productivity, employee satisfaction and talent retention are part of our efforts to achieve organisational excellence. As such, Aspen ensures that our hiring and exit procedures are professional and consistent. In the event of reorganisation and retrenchment, we adhere to various guidelines. Aspen adheres to the legal principles and guidelines established in the Employment Act 1955 and the Industrial Relations Act 1967 for our operations in Malaysia. For our Singapore operations, we adhere to the Tripartite Guidelines on Managing Excess Manpower issued by the Ministry of Manpower.



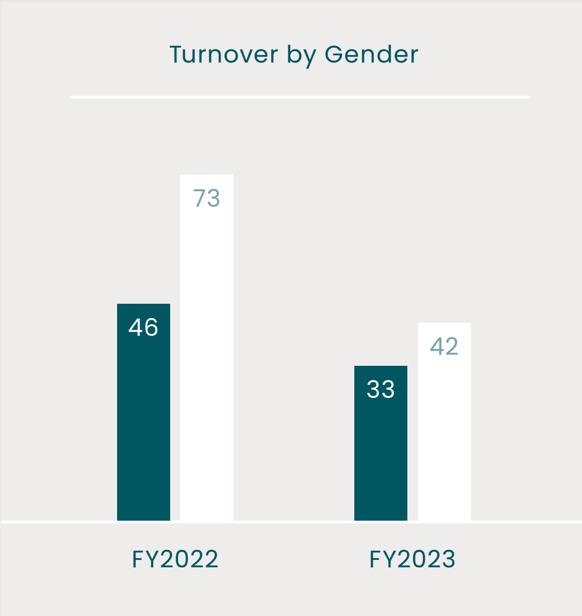


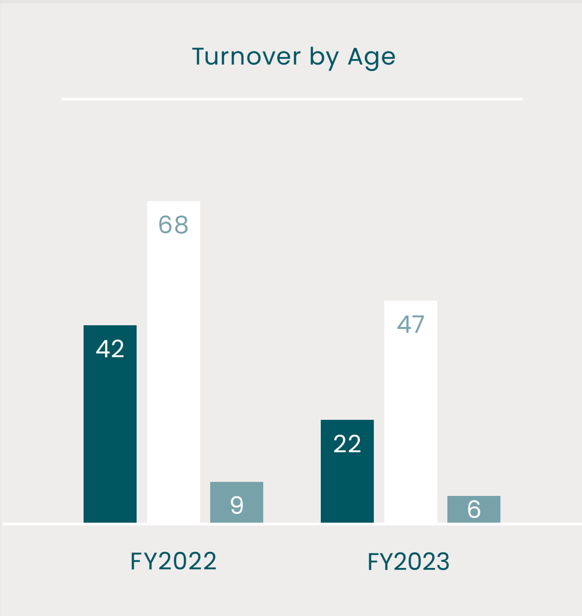
● Men ○ Women



● <30 ○ 30-50 ● >50

As of June 2023, Aspen welcomed a total of 71 new recruits, marking a 23% decrease in new hires compared to FY2022. The majority of these new hires were in the food and beverage sector, accounting for 59% of total recruitment. This disparity is due to a greater number of job opportunities available in the food and beverage sector as compared to the property development sector. Most of the new recruits in FY2023 were women and fell within the 30 to 50 age group.

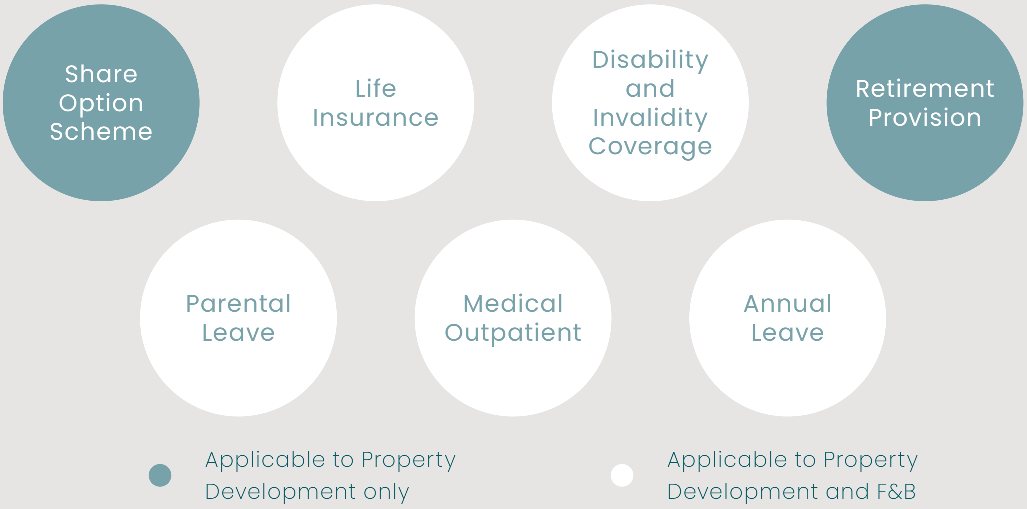




Employee turnover decreased by 37% in FY2023, with the majority of these turnovers occurring in the food and beverage sector. Of the 75 total turnovers across Aspen, most were women and employees in the age group of 30 to 50 years old. This corresponds with the high proportion of new hires within this gender and age group. The overall decrease in both new hires and turnovers is attributed to a change in the reporting period for FY2022, where data for new hires and turnover were included for an extended 18-month period.

Employee Benefits

In compliance with local legislation, Aspen offers a wide range of financial and non-financial benefits to our employees. These benefits include leave entitlements, insurance coverage and company allowances for our full-time employees. In the property development sector, a share option scheme to full-time employees has been approved, to provide an incentive for them to contribute to our growth. Part-time employees in the food and beverage sector are also provided with life insurance coverage.



Aspen provides parental leave for our employees for the convenience of working parents. Men are given 30 days of paternity leave while women are given up to 98 days of paid maternity leave with an option to extend for a further 30 days with half-pay.

	Men	Women
Number of employees who took Parental Leave	2	2
Number of employees who returned to work in the reporting period after parental leave ended	2	2

Labour Practices

We address labour issues within our organisation, abiding by the labour laws in Malaysia and Singapore which include preventing child and forced labour, protecting the rights to collective bargaining and freedom of association and eliminating excessive working hours.

Additionally, Aspen complies with the minimum wage policy implemented by the Malaysian government and conducts an annual evaluation of our compensation structure in line with industry practices. Our remuneration is commensurable with employees' experiences, positions and competencies regardless of gender.

Talent Development and Management

Beyond offering employment opportunities and ensuring the well-being of our employees through extensive benefit programmes, we continue to invest substantially in training and development programmes for employees. These programmes focus on upskilling and staying current with trends. We also take into account the perspectives of our employees through feedback received from training evaluation forms provided at the conclusion of each training session.

During the reviewed fiscal year, Aspen invested 1,382 hours for the property development sector and 126 hours for the food and beverage sector specifically for talent development and management.

Training Hours Breakdown

	Property Development Sector	Food and Beverage Sector
Total Training Hours	1,382	126
Average Training Hours Per Employee	19.5	4.2
Average Training Hours by Gender – Male	22.0	4.0
Average Training Hours by Gender – Female	18.2	4.4

Average Training Hours per Employee Category

Employee Category	Property Development Sector	Food and Beverage Sector
Key Management	28.0	
Senior Management	16.5	-
Management	20.4	-
Executive	19.3	-
Non-Executive	14.2	5.0

Key Training Programmes

Employee training involved seminars, conferences, forums and boot camps with topics ranging from accounting, compliance and management safety to technical-related topics.

Training programmes held at the property development sector in FY2023:

Types of Training Provided	Training Programmes
Accounting and Finance	• Red Flag in the Preparation of Financial Statements • Malaysian Corporate Tax Practices & Principles (Part 1 & Part 2) • Taxation of Property Developers & Contractors
Compliance	• Closure of Companies: Winding-up & Striking Off • Employment Act 1955 & Industrial Relations Act 1967 (The Latest Amendment 2022) • Seminar on Uniform Building By-laws (Amendment) 2021
Management	• Project Cost Management • Project Management Certification Course: PMP Boot Camp & Exam • Run & Gun: Network Penetration Testing
Safety	• 14th NRG-SHE Occupational Safety & Health (OSH) Conference 2022 • Fire Risk Assessors Course: Sustainable Disaster Management • The 8th MBAM Seminar on Occupational Safety & Health (OSH) & Workshop on OSHCIM-Accident Prevention by the Industry for the Industry • The 9th MBAM Seminar on OSH & Workshop on Minimising Risks for Operations & Improving Productivity When Working at Heights
Technical	• 26th World Congress on Innovation & Technology (WCIT 2022) • Amazing Microsoft Excel Time Saving Workshop • CIDB Qlassic Quality Awareness Briefing • Cyber Security Awareness • DATUM KLAF 2022 • Elevating the Property Industry: Tool, Trends & Tech • How to Exercise the Proper Duties, Powers and Legal Obligations of Developers JMB/MC & Property Managers • Post Pandemic Property Selling • Aerial Photography & Videography Course

In the food and beverage sector, employees were mainly trained during the induction process. They were informed of the SOPs for working in the kitchen and underwent the Level 1 Food Hygiene and Safety course to ensure that they are better equipped to receive, store, prepare and serve food as well as clean and sanitise the workspace.

Performance Appraisal

In our annual performance reviews, key management personnel and respective superiors evaluate each employee based on their unique accomplishments. New recruits and interns have their performance assessed at the conclusion of their probationary period.

A cumulative total of 119 Aspen employees received performance appraisals FY2023.

Target Moving Forward

To implement at least 70% of the training programme listed on the annual training plan.

Supply Chain Management

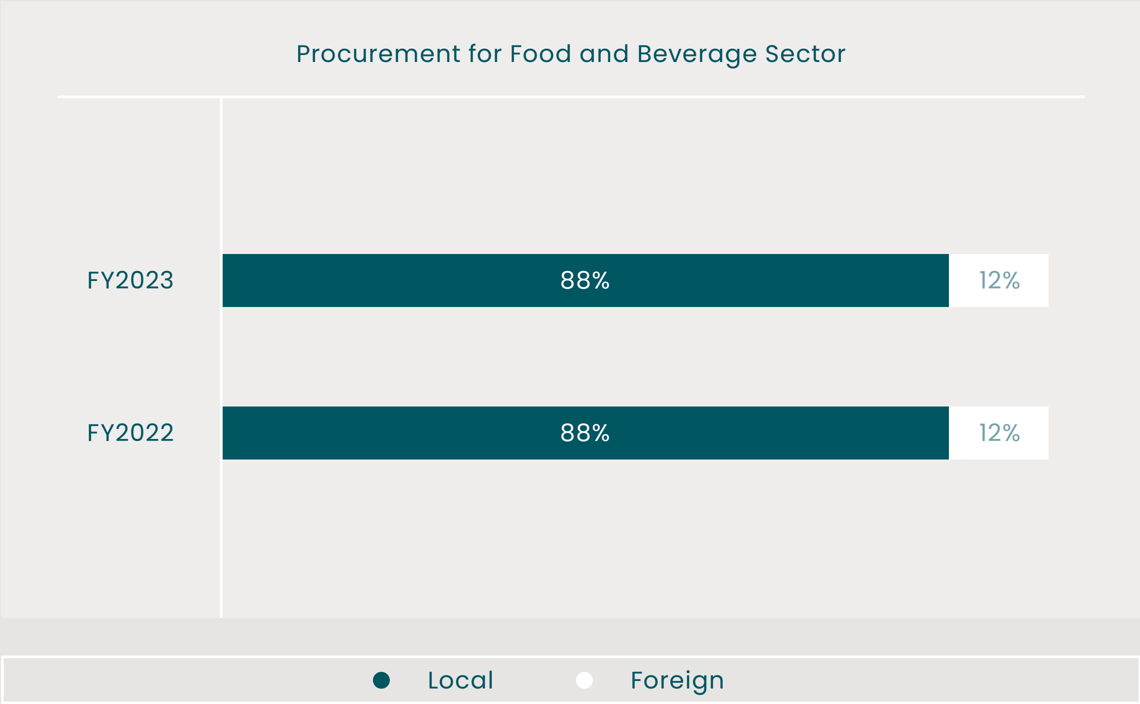
We aspire to build a more sustainable supply chain. This year, 39 of our suppliers and vendors were assessed and assigned pre-qualification and performance rating scores. To enhance the evaluation process of our suppliers, we obtained corporate and financial information from the Companies Commission of Malaysia for new suppliers.

i. Property Development Sector

In FY2023, 100% of the property development procurement budget was spent on local businesses which is an accomplishment we have maintained since FY2021. Procurement was mainly spent on projects and maintenance. In addition, for the construction of Viluxe, Aspen committed to using building materials that were extracted and manufactured within 500 km of the project site which leaves a smaller carbon footprint due to a shorter transportation distance. Apart from a shorter delivery time, zero import duty and lower transportation costs serve as additional value-creation assets.

ii. Food and Beverage Sector

The breakdown of the food and beverage sector's procurement budget over the past two financial years:



We had 88% procurement from local suppliers in both FY2022 and FY2023. We strive to source products and services that are local to our operations in order to support the local economy and minimise our carbon footprint. By doing so, we hope to contribute to the nation-building agenda by boosting the country's economic growth and reinforcing Aspen's supply chain with quality and timely procurement services.

Target Moving Forward

To source at least 90% procurement from local suppliers.

Product Quality

Aspen implemented initiatives to improve our product and service quality in FY2023. To ensure product quality for our property development sector, there are three stages of quality assessment that our projects undergo:

Assessment/Inspection	Description
Monthly Quality Assessment (MQA)	To verify ongoing compliance of the project with the relevant Quality Management System and the requirements under the ISO 9001:2015 (Quality Management) standard.
Project Final Assessment (PFA)	To evaluate the overall performance of the main contractor at project completion, including assessment of the QLASSIC scores, Cumulative Structural & Architectural scores and Cumulative Safety scores.
Pre-Delivery Inspection (PDI)	To create a record of any and all items missing, incomplete, damaged or not operating correctly so that these defects can be rectified prior to customers' vacant possession.

Additionally, we utilised the QLASSIC system by CIDB to assess the workmanship quality of our buildings in accordance with the Construction Industry Standard (CIS 7:2006).

Our QLASSIC scores:

Project	QLASSIC Scores
Tri Pinnacle	73%
Vervea	71%
Beacon Executive Suites	79%
Vertu Resort	82%

In promoting green design and construction, our buildings adhere to the Green Building Index (GBI) and the GreenRE rating system:

GBI Certification	GreenRE Certification
Vervea: Certified	Vivo: Planning for certification (previously GBI - Design Assessment stage)
Vertu: Silver (currently awaiting Completion & Verification Assessment stage)	Viluxe (Phase 1): Planning for certification (previously GBI - Design Assessment stage)

Customer Satisfaction

As an initiative to improve our customer experience, we conducted regular customer satisfaction surveys periodically. This year our customer satisfaction survey was conducted for our property development sector via online survey forms.

Our customer satisfaction survey comprises overall customer feedback, rating of our services, project amenities and handover process. The following table summarises our customer satisfaction score for FY2023.

Project	Customer Satisfaction Score
Beacon Executive Suites	96.70%
Vertu Resort	98.32%

Target Moving Forward

To achieve Green Certification for Vivo Executive Apartment and Viluxe (Phase 1).

Community Enrichment

We continuously engage with local communities through collaborations with NGOs and local institutions to enhance their standard of living and support programmes that are in line with Aspen's vision, mission and core values. It is essential to understand the community's requirements in order to select the most beneficial projects. Therefore, Aspen strives to conduct programmes that have measurable sustainable goals that meet the needs of the targeted community.

Our community improvement efforts are reflected in the urban regeneration projects undertaken by Aspen. We endeavour to promote convenience and inclusivity in the design and development stages of our projects. Aspen's properties and food and beverage outlets provide access for disabled employees and customers.

Aspen's CSR in FY2023 at a Glance

6 partners
(including government agencies, industries and NGOs)

Approximately
RM **32,049**
channelled towards community investments

> **4,474**
Individuals impacted

Community Investment

We believe in making a positive impact on the local community and empowering them in any way we can. This year, we invested in various sponsorship opportunities which benefited the community:

Donation	Description	Amount (RM)
Management Committee of Penang Waterfall Hill Temple	Sponsorship of panel LED screen for live streaming for Thaipusam 2023	7,000.00
MPKK Kampung Bagan Bukit Tambun	Sponsorship for MPKK Kampung Bagan Bukit Tambun, Batu Kawan Constituency and DUN Bukit Tambun Chap Goh Mei event	2,000.00
Kelab Kebajikan Sukan dan Sosial PDRM	Sponsorship for PDRM Pulau Pinang 2023 Appreciation Night	10,000.00
Kelab Kebajikan dan Rekreasi CIDB Pulau Pinang	Sponsorship for CIDB Pulau Pinang 2023 Aidilfitri Celebration Ceremony	1,000.00
Minds Association of Penang (MAP)	Donation to refurbish and refurnish MAP's facilities	6,549.19
Klippa Art Run	Supported a cross-country run programme at Aspen Vision City	5,500.00

Target Moving Forward

To allocate for at least 5 community investments.

Social Engagement

CELEBRATING FESTIVITIES

Malaysia Day Celebration — 16 September 2022

The Penang State Government hosted a remarkable state – level Malaysia Day Celebration at the Vervea Trade & Exhibition Centre (VTEC). Attendees showcased their unwavering patriotic spirit by harmoniously singing and joyfully dancing to the uplifting beats of Jalur Gemilang, creating an atmosphere brimming with camaraderie and love for Malaysia.

Chinese New Year Aspenormous Good Fortune Great Hope Goodie Bag Distribution — 6 January 2023

In the prosperous Year of the Rabbit, Aspen's Fortune Truck made several pit stops across Penang, spreading an atmosphere of fortune and prosperity. 1,300 goodie bags filled with auspicious ang pows, 'Ongspicious' freebies and fortune cookies were distributed by Aspenians to a number of people, creating treasured moments of togetherness.

CELEBRATING FESTIVITIES

Chinese New Year Open House

28 January 2023

In a joyful celebration, 200 friends and family gathered for the seventh day of Chinese New Year (Ren Ri) at Aspen's CNY Open House in Aspen Vision City Sales Gallery. The guests had a wonderful time with the lion dance, Yee-Sang tossing and blessings from the God of Prosperity. Amid the festivities, they also enjoyed special deals for the festive season.

Thaipusam Food Distribution

9 February 2023

To celebrate Thaipusam, Aspen set up a booth for all devotees to join in on this annual festival of worshipping Lord Murugan. Approximately 1,500 devotees were served beverages and traditional Indian vegetarian dishes and were treated to enthralling cultural performances at Aspen's festively decorated refreshment booth.

COMMUNITY WELL-BEING

Klippa Art Run | 31 July 2022

Approximately 1,100 runners took part in the Klippa Art Run at Aspen Vision City, organised by IKEA Batu Kawan. Along the route, participants made a delightful pit stop at Aspen Vision City Sales Gallery, where they were greeted with a warm welcome and received exclusive vouchers and an array of fantastic goodies. With renewed spirits, they embarked on their fun journey towards the finishing line.

Mayor of Seberang Perai City Council's Pit Stop at Central Park | 4 February 2023

The 25-acre Central Park in Aspen Vision City served as a pit stop on a cycling tour organised by the Penang Development Corporation in conjunction with the development of the Bicycle Route Master Plan in Bandar Cassia. Aspen warmly welcomed YBhg. Dato' Azhar Bin Haji Arshad of Seberang Perai City Council (MBSP), who led a spirited cycling team of 50 through the proposed bike path in Bandar Cassia and Batu Kawan Industrial Park.

COMMUNITY WELL-BEING

Refurbishing and Refurnishing Minds Association of Penang (MAP) | 22 February 2023

MAP aids special needs communities in attaining independence and realising potential. Aspen contributed generously, refurbishing and furnishing MAP's lounge, dining, cooking and baking areas with electronic appliances, kitchen utensils and furniture. This initiative improved the environment, providing increased comfort and space for individuals with special needs to acquire life skills, explore interests and enhance their well-being.

ENTREPRENEURIAL SKILLS & COMMUNITY EMPOWERMENT

Promoting Handmade Products made by MAP | 8 May 2023

MAP's Sheltered Workshop Programme offers vital vocational training to special needs communities, helping them to gain skills for both livelihood and self-sufficiency. Aspen's support, by showcasing their handmade items (like spa kits, stuffed toys, colourful pebbles and woven food covers) on social media, raised public awareness about the abilities and creativity of these communities, breaking barriers and fostering inclusivity.

EDUCATION

Promoting Early-Year Development and Good Parenting

20 May 2023

In a quest for social equity, Aspen partnered with Whytehouse Education Group, the Ministry of Education, Malaysian International Chamber of Commerce and Industry, and Penang Women's Development Corporation. They all share the enduring goal of enhancing parent-child relationships. Through an official pledge, Aspen actively promoted early-year development and endorsed exemplary parenting practices on the influential social media platform.

ENVIRONMENTAL AWARENESS

Trash to Treasure Recycling Campaign

5 June 2023

In alignment with World Environment Day, Aspen initiated the Trash to Treasure Recycling Campaign to promote the responsible handling of recyclable waste. 118 Aspenians gathered recyclable items such as paper, clothes, glass, plastic, steel, aluminium and non-working electronics. These materials were responsibly recycled and disposed of by a waste management company. The campaign showcased Aspen's commitment to fostering a sustainable and ecologically mindful living environment.

NETWORKING AND BUSINESS DEVELOPMENT

Aspen Vision City Site Visitation by Great Eastern — 26 August 2022

Aspen had the honour of hosting a team of 25 individuals from Great Eastern at Aspen Vision City. The networking session offered a unique opportunity for both parties to establish valuable connections and share insights. The Great Eastern team received a detailed overview of Aspen Vision City's meticulously planned flagship developments. Additionally, they were invited to tour the spectacular Vertu Resort and explore the exquisite show units of Vivo Executive Apartment.

Aspen Vision City Site Visitation by Mayor and Delegates from MBSP — 6 October 2022

Aspen hosted the Mayor of MBSP, YBhg. Dato' Azhar Bin Haji Arshad and delegates at Aspen Vision City. A comprehensive site tour showcased the central waste management system within the Aspen Vision City developments. Both parties emphasised their commitment to advancing sustainable development and realising the Batu Kawan Eco-City vision.

NETWORKING AND BUSINESS DEVELOPMENT

QLASSIC Awareness Briefing Programme — 16 February 2023

CIDB launched the QLASSIC Awareness Briefing Programme, uniting 70 participants, including property developers, consultants and contractors from Aspen Vision City, EcoWorld and Paramount Property at the Aspen Vision City Sales Gallery. The session facilitated knowledge exchange and provided valuable insights on the QLASSIC assessment system, quality standards and construction best practices for building projects.

Malaysian International Chamber of Commerce and Industry (MICCI) Northern Chapter Committee Meeting — 16 May 2023

Aspen hosted 15 distinguished members of the MICCI Northern Chapter at VTEC for a productive committee meeting. The event yielded valuable insights on the Northern Region development and its key economic issues. This exchange of ideas lays the groundwork for strategic initiatives to promote sustainable economic progress and community well-being.

NETWORKING AND BUSINESS DEVELOPMENT

Ikano Retail Asia Board Meeting

27 June 2023

Aspen hosted 30 board members of Ikano Retail at VTEC. The discussion centred on the developments in Batu Kawan and the transformative journey of Aspen Vision City. Dato' Loo Lee Lian, CEO of InvestPenang, shared valuable insights on Penang's rising status as Malaysia's economic hub, driven by strategic investments.

Target Moving Forward

To conduct at least 5 community-related activities.

Strong Governance

Material ESG Factors	Corporate Governance and Anti-Corruption	Regulatory Compliance

Corporate Governance and Anti-Corruption

Good corporate governance is critical to the effective operation of our organisation. Consequently, Aspen has implemented a number of policies and frameworks to ensure the full function of a transparent, ethical and responsible corporate culture.

Whistle-blowing Policy	Anti-Bribery and Anti-Corruption Policy	Anti-Corruption Framework Manual	Board Charter

Aspen's **Whistle-blowing Policy** enables employees and other stakeholders to communicate their concerns in confidence and ensures that independent investigations and actions are taken. The Whistle-blowing Policy is accessible to all employees of Aspen. There were no whistle-blowing incidents reported in FY2023.

The **Anti-Bribery and Anti-Corruption Policy (ABAC Policy)** outlines the definition of bribery and corruption, and the main offences related as per the Malaysian Anti-Corruption Commission Act 2009 (revised 2018). The ABAC Policy prohibits all forms of bribery and corruption, whether they are made in the public or private sectors. The ABAC Policy also protects Aspen's employees from the consequences of refusing to offer or receive bribes or engage in other illicit activities and is applicable to all employees, contractors and service providers.

Aspen implemented the **Anti-Corruption Framework Manual** which was established in FY2022 to provide guidance to the employees on how to deal with any occurrences of bribery and corruption. For FY2023, we are pleased to report that there were zero incidents of bribery or corruption. Aspen's policies are communicated periodically to all our employees to ensure effective implementation at the group level.

Policies	Communication to Employee Categories	Frequency
General terms & conditions of employment	All categories	Quarterly
Anti-Corruption Framework Manual	All categories	Annually
Whistle-blowing Policy	All categories	Annually

Aspen also addresses conflicts of interest by requiring a declaration on a periodic and ad hoc basis when actual, potential or perceived conflicts arise. In upholding the principles of an ethical and responsible corporate culture, Aspen requires the selection of Board members to be based on knowledge, skills, experience and suitability of commitment to Aspen's requirements. Board candidates are evaluated and recommended by the Nomination Committee and their appointments are subject to approval by the Board. The Board also consists of more than one-third independent directors to help provide a balanced view and exercise objective judgement in Aspen's corporate and business affairs.

In terms of Board diversity, Aspen has adopted a Board Diversity Policy which can be referred at pages 125 and 126 of the annual report. For our full Corporate Governance Report, please refer to Aspen's Annual Report FY2023.

Regulatory Compliance

Aspen complies with all relevant local and international laws and has relevant policies and procedures in place to ensure compliance with the Singapore Exchange (SGX) Mainboard Rules.

Also, in compliance with the enhanced SGX sustainability reporting rules, all members of the Board have completed the mandated sustainability training course.

We conduct periodical internal audits to verify the effectiveness of Aspen's current control measures and procedures, seeking external legal advice when required. Aspen stays up-to-date with the latest authorities and local council development guidelines and attends trainings or seminars when provided. There were no non-compliances with any local laws relating to Aspen's project developments reported for FY2023.

Group Risk Management

Aspen's risk management comprises the design, implementation and monitoring of internal control systems. The Board and the Audit Committee (AC) conduct regular reviews of significant risks to the business on an annual basis and the effectiveness of Aspen's internal controls, operational and compliance controls, risk management policies and systems established by the management. The established system of internal controls and risk management is in place to mitigate the risk of not achieving Aspen's strategic objectives.

Group Risk Management			
Risk	Description	Mitigation	Material ESG Factors
Changes in requirements by local councils	• Delay in obtaining approval by local councils which may lead to delays in project outcomes	• Early consultations on fulfilment of new requirements prior to project application submissions	• Legal and Regulatory Compliance
Employee retention challenges	• Challenges in talent retention such as reaching the retirement age which may impact overall productivity	• Provide attractive remuneration packages, support employee welfare and conduct employee engagement programmes	• Talent Development and Management
Design or material change	• Frequent proposed design or material changes may cause delayed sourcing for projects and this may lead to resource inefficiencies and wastage	• Ensure deeper understanding of products prior to selection and monitor supply from suppliers according to work schedule	• Product Quality • Waste Management
Shortage of materials	• Unable to fix defects as scheduled	• To identify potential alternative materials and suppliers in advance of project phase commencement	• Supply Chain Management

Target Moving Forward

To maintain zero bribery, corruption or fraud across Aspen's operations.

Charting a Purpose-Driven Future

In a world where sustainability is not just an option but a necessity, Aspen does not merely follow the path; we aim to lead it. Aligned with the visionary standards of TCFD, we are not just reducing our carbon footprint; we are pioneering new territories in climate risk management and decarbonisation.

Our commitment transcends the balance sheets and penetrates the very communities we serve. Our eco-conscious, avant-garde property designs not only meet the demands of today; they also anticipate the eco-centric needs of tomorrow. Similarly, our food and beverage outlets are not merely places to eat but culinary experiences that enrich lives, emphasising quality at every touchpoint.

Our ambition is far-reaching yet simple: to forge an equitable, sustainable tomorrow that honours our commitment to the planet and its people. Our ESG efforts are not mere initiatives but a cultural paradigm that shapes our every decision.

In this journey, Aspen is not just a participant but a catalyst for change, setting the benchmarks for a more sustainable future. We are not just doing business; we are crafting a legacy, one that stands as a beacon for corporate responsibility and societal well-being.

GRI Content Index

Statement of use	Aspen (Group) Holdings Limited has reported the information cited in this GRI content index for the period 1 July 2022 until 30 June 2023 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standards	Disclosure		Reference
GRI 2: General Disclosures 2021	2-1	Organisational details	055
	2-2	Entities included in the organisation's sustainability reporting	056
	2-3	Reporting period, frequency and contact point	056
	2-5	External assurance	NA
	2-6	Activities, value chain and other business relationships	055-060
	2-7	Employees	090-095
	2-9	Governance structure and composition	064
	2-10	Nomination and selection of the highest governance body	111
	2-11	Chair of the highest governance body	064,111
	2-12	Role of the highest governance body in overseeing the management of impacts	064,071
	2-13	Delegation of responsibility for managing impacts	064,071, 112-113
	2-14	Role of the highest governance body in sustainability reporting	064,071
	2-15	Conflicts of interest	112
	2-16	Communication of critical concerns	111-112
	2-17	Collective knowledge of the highest governance body	111
	2-18	Evaluation of the performance of the highest governance body	111-112
	2-19	Remuneration policies	NA
	2-20	Process to determine remuneration	NA
	2-22	Statement on sustainable development strategy	061-064

GRI Standards	Disclosure		Reference
	2-23	Policy commitments	085,111
	2-24	Embedding policy commitments	085-088,111
	2-25	Processes to remediate negative impacts	072,112-113
	2-26	Mechanisms for seeking advice and raising concerns	111
	2-27	Compliance with laws and regulations	111-112
	2-28	Membership associations	059
	2-29	Approach to stakeholder engagement	065-067
GRI 3: Material Topics 2021	3-1	Process to determine material topics	068
	3-2	List of material topics	069-070
GRI 201: Economic Performance 2016	3-3	Management of material topic	076
	201-1	Direct economic value generated and distributed	076
	201-2	Financial implications and other risks and opportunities due to climate change	072-075
GRI 203: Indirect Economic Impacts 2016	3-3	Management of material topic	101-102
	203-1	Infrastructure investments and services supported	102
	203-2	Significant indirect economic impacts	102
GRI 204: Procurement Practices 2016	3-3	Management of material topic	098-099
	204-1	Proportion of spending on local suppliers	098-099
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	111
	205-3	Confirmed incidents of corruption and actions taken	111
GRI 302: Energy 2016	3-3	Management of material topic	077-078
	302-1	Energy consumption within the organisation	078-079
	302-4	Reduction of energy consumption	078-079
GRI 303: Water and Effluents 2018	3-3	Management of material topic	081-083
	303-5	Water consumption	082

GRI Standards	Disclosure		Reference
GRI 305: Emissions 2016	3-3	Management of material topic	080
	305-1	Direct (Scope 1) GHG emissions	080-082
	305-2	Energy indirect (Scope 2) GHG emissions	080-082
	305-5	Reduction of GHG emissions	080-082
GRI 306: Waste 2020	3-3	Management of material topic	082-083
	306-1	Waste generation and significant waste-related impacts	083-084
	306-2	Management of significant waste-related impacts	083-084
	306-3	Waste generated	083-084
	306-4	Waste diverted from disposal	083-084
	306-5	Waste directed to disposal	083-084
GRI 401: Employment 2016	3-3	Management of material topic	092-093
	401-1	New employee hires and employee turnover	092-094
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	094-095
GRI 403: Occupational Health and Safety 2018	3-3	Management of material topic	085-089
	403-1	Occupational health and safety management system	085-086
	403-2	Hazard identification, risk assessment and incident investigation	086,088
	403-4	Worker participation, consultation and communication on occupational health and safety	087-088
	403-5	Worker training on occupational health and safety	087
	403-6	Promotion of worker health	NA
	403-8	Workers covered by an occupational health and safety management system	085-086
	403-9	Work-related injuries	089
	403-10	Work-related ill health	089

GRI Standards	Disclosure		Reference
GRI 404: Training and Education 2016	3-3	Management of material topic	096
	404-1	Average hours of training per year per employee	096
	404-2	Programmes for upgrading employee skills and transition assistance programmes	097
GRI 405: Diversity and Equal Opportunity 2016	3-3	Management of material topic	090-091
	405-1	Diversity of governance bodies and employees	090-092
	405-2	Ratio of basic salary and remuneration of women to men	NA
GRI 406: Non-discrimination 2016	3-3	Management of material topic	090-092
	406-1	Incidents of discrimination and corrective actions taken	090
GRI 413: Local Communities 2016	3-3	Management of material topic	101-102
	413-1	Operations with local community engagement, impact assessments and development programmes	103-110
GRI 414: Supplier Social Assessment 2016	3-3	Management of material topic	098-099
	414-1	New suppliers that were screened using social criteria	098-099

TCFD Content Index

TCFD Recommendation	References/Location
Governance	Sustainability Statement FY2023, page 071
Strategy	Sustainability Statement FY2023, page 072-074
Risk Management	Sustainability Statement FY2023, page 075
Metrics and Targets	Sustainability Statement FY2023, page 075

Navigating Currents of Change

The business landscape is like a river — always changing, always flowing. And just as a skilled navigator can read the currents and steer the vessel safely, we have the acumen to read market signals, consumer behavior and technological advances. Our agility in navigating these currents of change has enabled us to adapt and thrive, remaining always a step ahead of the competition.

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 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 respect of the financial year ended 30 June 2023 ("**FY2023**") with specific reference made to the underlying principles and provisions of the Code, as required under the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). 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 have been provided in the relevant parts of this corporate governance report.

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS
The company is headed by an effective Board which is collectively responsible and works with the 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 Company's constitution (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 FY2023 is tabulated below:

	Board	General Meeting	Audit Committee	Nominating Committee	Remuneration Committee
Total number of meetings held	4	2	4	1	1
Number of meetings attended by respective directors					
Executive Directors					
Dato' Murly Manokharan	4	2	3#	1	1#
Dato' Seri Nazir Ariff Bin Mushir Ariff	4	2	4#	–	–
Ir. Anilarasu Amaranazan	4	2	4#	–	–
Non-Independent Non-Executive Director					
Dr. Lim Su Kiat	4	2	4	1#	1
Mr. Ching Chiat Kwong(1)	1	–	1#	–	–
Mr. Low See Ching (Liu Shijin)(2) (Alternate director to Mr. Ching Chiat Kwong)	–	–	–	–	–
Independent Directors					
Mr. Cheah Teik Seng	4	2	4	1	1
Dato' Alan Teo Kwong Chia	3	2	4	1	1
Dato' Choong Khuat Seng	4	2	4#	1	1#

Note:

\# *By invitation*
(1) *Mr. Ching Chiat Kwong has resigned as a director of the Company with effect from 25 August 2022.*
(2) *Mr. Low See Ching (Liu Shijin) ceased to be Alternate Director to Mr. Ching Chiat Kwong with effect from 25 August 2022.*

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/her 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/her roles and responsibilities as prescribed by the SGX-ST and in accordance with the Listing Manual.

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.

Also, in compliance with the enhanced SGX sustainability reporting rules, all members of the Board have completed the mandated sustainability training course.

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, advise the Board on all governance matters and facilitate orientation and assist 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 meetings 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	Executive Director, President and Group Chief Executive Officer
Dato' Seri Nazir Ariff Bin Mushir Ariff	Executive Director and Executive Deputy Chairman
Ir. Anilarasu Amaranazan	Executive Director and Group Managing Director
Dr. Lim Su Kiat	Non-Independent Non-Executive Director
Dato' Alan Teo Kwong Chia	Independent Non-Executive Director
Dato' Choong Khuat Seng	Independent Non-Executive Director

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 seven Directors, out of whom three are Independent Directors, one is a Non-Independent and Non-Executive Director 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 independent Directors that make up more than one-third of the Board, in compliance with Rule 210(5)(c) of the Listing Manual. 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/her independence. The Executive Directors are considered non-independent. During FY2023, the NC reviewed and confirmed the independence of the Independent Directors in accordance with the Code. There were no Directors who were 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/her 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 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. Although there were no formal meetings, the Non-Executive Directors engaged in regular discussions and met with the internal and external auditors in FY2023 without the presence of the management.

In 2023, the Board has also adopted a board diversity policy (the "**Board Diversity Policy**") aimed at ensuring an appropriate balance of knowledge, experience and skills on the Board. The Board Diversity Policy stipulates that, when assessing Board composition, the NC will consider all facets of diversity, including skills, knowledge, experience, gender, age, ethnicity, nationalities, length of service and other pertinent factors, against the requisites essential for governing and steering the Group's strategic objectives. While due consideration is given to diversity, all Board appointments will be made on the basis of merit, independence and in accordance with the objective criteria.

The Board recognises gender diversity as an essential aspect of a well-balanced Board. The Board currently does not have a female director. Hence, the Board has identified having female representation on the Board by 2025 as its main target. In pursuit of this target, the Board has mandated the following:-

i) Any brief to external search consultants to search for candidates for appointment to the Board will include a requirement to present female candidates; and
ii) Female candidates are included for consideration by the NC when identifying a new Director for appointment to the Board.

PRINCIPLE 3: CHAIRMAN AND CHIEF EXECUTIVE OFFICER
There is a clear division of responsibilities between the leadership of the Board and the 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 is headed by an independent director, comprises a majority of independent directors and therefore, is 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 FY2023, 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 programmes 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 of 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 shortlisted 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. If an alternate director is appointed, the alternate director should be familiar with the Group's affairs and be appropriately qualified. Following the resignation of Mr. Ching Chiat Kwong as a director of the Company with effect from 25 August 2022, Mr. Low See Ching (Liu Shijin) ceased to be Alternate Director to Mr. Ching Chiat Kwong with effect from 25 August 2022. Currently, there is no alternate director on the Board.

Regulations 97 and 98 of the Company's Constitution 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 Company's Constitution);
b. Dato' Seri Nazir Ariff Bin Mushir Ariff (retiring under Regulation 97 of the Company's Constitution); and
c. Mr Cheah Teik Seng (retiring under Regulation 97 of the Company's Constitution).

Dato' Murly Manokharan will, upon re-election as Director, remain as the President and Group CEO, as well as member of NC.

Dato' Seri Nazir Ariff Bin Mushir Ariff will, upon re-election as Director, remain as the Executive Deputy Chairman.

Mr Cheah Teik Seng will, upon re-election as Director, remain as the Chairman and Independent Non-Executive Director, Chairman of the AC and RC as well as a member of the NC. He will be considered independent for the purposes 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 249 to 268.

Dato' Murly Manokharan, Dato' Seri Nazir Ariff Bin Mushir Ariff and Mr Cheah Teik Seng, 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/her 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 018 and 249 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	26-04-2021	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.	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
Mr. Cheah Teik Seng • Chairman of the Board & Independent Non-Executive Director • 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.
Dato' Alan Teo Kwong Chia • Independent Non-Executive Director • Chairman of NC • Member of AC & RC	20-06-2017	26-04-2021	• ASEAN Senior Manager Development Program, Harvard Business School Alumni Club of Malaysia • Premier Business Manager Pro-gram, Harvard Club of Malaysia	205,516 ordinary shares in the Company	Nil.	Nil.	Nil.
Dr. Lim Su Kiat • Non-Independent Non-Executive Director • Member of AC & RC	22-12-2016	31-10-2022	• 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.

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 • Independent Non-Executive Director • Member of NC	28-06-2018	31-10-2022	• 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	31-10-2022	• 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 FY2023. 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 FY2023, 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 FY2023.

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 is headed by an independent director, comprises a majority of independent directors and therefore is, 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 FY2023, 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/her remuneration package.

There were no remuneration consultants engaged in FY2023. 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 Mainboard 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.

The Group obtained the Shareholders' approval during the Company's AGM held on 31 October 2022 to grant options in accordance with the rules of the ESOS with exercise prices set at a discount not exceeding 20% of the Market Price.

Since the commencement of the ESOS till the end of the FY2023:

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 ("**EGM**") 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 FY2023 is as follows:

	Base/Fixed Salary and EPF[(1)] (%)	Performance-related income (%)	Directors' Fees 2023[(2)] (%)	Other Benefits (%)	Total (%)
S$1,250,001 up to S$1,500,000 p.a.					
Dato' Murly Manokharan	100.00	0.00	0.00	0.00	100.00
S$250,001 to S$500,000 p.a.					
Dato' Seri Nazir Ariff Bin Mushir Ariff	97.23	0.00	0.00	2.77	100.00
Ir. Anilarasu Amaranazan	98.69	0.00	0.00	1.31	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[(3)]	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) *In respect of FY2023, 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.*
(3) *Mr. Ching Chiat Kwong has resigned as a director of the Company with effect from 25 August 2022.*

No Director has been granted the share-based award during FY2023.

Remuneration paid or payable to the Group's top five (5) key management personnel (who is not a Director or CEO) for FY2023 are as follows:-

Key Management Personnel Remuneration Band (S$0 up to S$250,000 per annum)	
1.	Mr. Lim Soo Aun
2.	Puan Zainun Binti Abdul Rahman
3.	Ms. Cheah See Peng, Celine
4.	Puan Nadiah Wong Binti Abdullah
5.	Mr. Yew Chai Hock, Ken

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

Total remuneration paid to the key management personnel named above for FY2023 was approximately S$681,639.00.

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 and whose remuneration exceeds S$100,000 during FY2023.

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 FY2023, the Company's appointed internal auditor, BDO Governance Advisory Sdn. Bhd. (BDO), has conducted an internal audit review based on an agreed scope of review. In respect of FY2023 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 FY2023 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 as well as sanctions-related 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 as well as sanctions-related risks, and risk management systems were adequate and effective for FY2023 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.

International bodies and national governments have imposed sanctions on certain activities or transactions with targeted jurisdictions, entities and persons, with the primary aim of achieving foreign policy or national security goals. The Board confirmed there has been no material change in its risk of being subject to any sanctions law. The Board and AC will be responsible for (a) monitoring the issuer's risk of becoming subject to, or violating, any sanctions law; and (b) ensuring timely and accurate disclosures to SGX-ST and other relevant authorities.

Internal Audit

The internal audit function is currently outsourced to BDO, 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, BDO 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 the 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 FY2023 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 an 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 AC meets with the internal and the external auditors without the presence of the management annually.

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 risk profile of the Company, the internal control and risk management procedures, including financial, operation, compliance and information technology controls and the appropriate steps to be taken to mitigate and manage risks at acceptable levels determined by the Board;
ix. 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;
x. reviewing the assurance from the Group CEO and CFO on the financial records and financial statements;
xi. 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; and
xii. reviewing the disclosure of whistle-blowing policy and publicly disclose the procedures for raising such concerns as appropriate.

In respect of FY2023, the AC has reviewed the independence of the external auditors, Messrs Mazars LLP and recommended that Messrs Mazars 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 Mazars LLP for FY2023 are as stated below.

External Auditors Fees for FY2023	RM '000	% of total fees
Total audit fees	661	100
Total non-audit fees	–	–
Total fees paid	**661**	**100**

No non-audit services have been provided by the external auditors for FY2023.

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.

Whistle-blowing Policy

The Group has in place a whistle-blowing policy (the "**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 an 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.

The Policy allows employees to raise concerns and offers reassurance that their identity is kept confidential and that they will be protected from reprisals, victimisation, detrimental or unfair treatment for whistle-blowing in good faith. The Policy provides that employees may submit their concerns in writing to the respective Heads of Departments or to the Head of Department of Group Human Resource & Administration. Employees could also report concerns directly to the Chairman of the AC via whistleblower@aspen.com.my if internal channels pose a concern.

The Board, with the support of the AC, maintains oversight of any major issue arising from the Policy and/or other enquiries into the conduct of the whistle-blowing process. The Policy is aligned with the requirements pursuant to the amended Rule 1207 (18A) and (18B) of the Listing Manual (effective from 1 January 2022). Aligning with best practices, the Group has also published the whistle-blowing policy on the Company's website so that it is easily accessible to the public. There was no incident of whistle-blowing reported across the Group for FY2023 and until the date of this Annual Report.

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 Company's Constitution 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/her 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.

Under Provision 11.5 of the Code, the Company should publish the minutes of general meetings on its corporate website as soon as practicable. The minutes of the last AGM held on 31 October 2022 were published by the Company on SGXNET and on its corporate website on 29 November 2022. The Company also will be publishing the minutes of the forthcoming AGM on SGXNET and on its corporate website within a month of the date of the AGM.

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.

Pursuant to Rule 730A(2) of the Listing Rules, all resolutions proposed at the AGMs and at any adjournment thereof shall be put to the vote by way of poll. All shareholders are entitled to vote in accordance with the established voting rules and procedures at the AGM. Each share is entitled to one vote. A party is appointed as scrutineers for the AGM voting process, which is independent of the party appointed, to undertake the polling process. The detailed results setting out the number of votes cast for and against each resolution and the respective percentages are announced via SGXNET after the AGM. At present, the Company does not conduct voting by poll via electronic polling method as Shareholders' turn-out at the AGMs has been manageable.

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 30 June 2023. 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 2022 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 FY2023 Sustainability Report for the Group can be referred on page 054 in this Annual Report.

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.

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.

Details of IPT for the financial year ended 30 June 2023 are set out below:

Name of interested person	Nature of Relationship	Aggregate value of all interested person transaction during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S$100,000)
Vyramid Electrical Sdn. Bhd. ("**Vyramid**") Sale of two property units	Vyramid is deemed an interested person as 51.0% interest in the issued share capital of Vyramid is held by Kumar a/l Manokharan, the brother of Dato' Murly a/l Manokharan, the Group's President and Group Chief Executive Officer.	1. **L21-10, Beacon Executive Suites** Sale price RM698,000.00 Rebate/Discount RM69,800.00 (10% rebate on Sale Price) 2. **L10-07, Beacon Executive Suites** Sale price RM770,000.00 Rebate/Discount RM77,000.00 (10% rebate on Sale Price)	-

Dato' Murly a/l Manokharan ("**Dato' Murly**") and Datin Lee Ke Sin ("**Datin Lee**") Sale of two property units	Dato' Murly is deemed an interested person as he is an executive director and Substantial shareholder of the Company and the Group's President and Group Chief Executive Officer. Datin Lee, who is the spouse of Dato' Murly, is deemed an interested person by virtue of her relationship with Dato' Murly.	1. **L27-05, Beacon Executive Suites** Sale price RM718,670.00 Rebate/Discount RM71,867.00 (10% rebate on Sale Price) 2. **L27-06, Beacon Executive Suites** Sale price RM739,780.00 Rebate/Discount RM73,978.00 (10% rebate on Sale Price)	-
Firmus Opportunity Fund VCC ("**Firmus**")	Dr Lim Su Kiat, the Non-Independent Non-Executive Director of the Company, is also a director of Firmus.	RM430,336.50, which is the interest of 10% per annum (net of any withholding tax or tax gross up) payable on an unsecured loan in the principal sum of S$1,500,000 granted by Firmus to the Company. (1)	-

(1) *As at to-date, the loan has been fully repaid.*

Other than the interested person transactions as disclosed above, there are no IPTs exceeding S$100,000 and above during the financial year ended 30 June 2023.

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 IPTs pursuant to Chapter 9 of the Listing Manual.

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 FY2023 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 statement to the members of the Company together with the audited financial statements for the financial year ended 30 June 2023.

In our opinion:

(a) the financial statements set out on pages 160 to 237 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 30 June 2023 and the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the financial year ended 30 June 2023 in accordance with the provisions of the Singapore Companies Act 1967 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 A/L Manokharan
Dato' Seri Nazir Ariff Bin Mushir Ariff
Mr. Cheah Teik Seng
Dato' Alan Teo Kwong Chia
Dr. Lim Su Kiat
Ir. Anilarasu Amaranazan
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 1967 (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	505,877,952	505,877,952
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	4,480,252	4,480,252
Dato' Alan Teo Kwong Chia		
Aspen (Group) Holdings Limited		
- ordinary shares		
- interest held	205,516	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	33,152	33,152
Ir. Anilarasu Amaranazan		
Aspen (Group) Holdings Limited		
- ordinary shares		
- interest held	242,000	242,000

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.

There was no change in any of the above-mentioned interests in the Company between the end of the financial year and 21 July 2023.

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 A/L 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

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

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 4 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, Mazars 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, Mazars LLP, have expressed 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

Singapore

16 October 2023

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF 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 statements of financial position of the Group and of the Company as at 30 June 2023, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows of the Group, and the statement of changes in equity of the Company for the financial year ended 30 June 2023, and notes to the financial statements, including a summary of significant accounting policies as set out on pages 160 to 237.

In our opinion, the accompanying financial statements of the Group and the statements of financial position and the statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Group and of the Company as at 30 June 2023 and of the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year ended 30 June 2023.

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 ("ACRA") *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (the "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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2.6 in the financial statements which indicates that, as at 30 June 2023, the Group's current liabilities exceeded its current assets by RM7.51 million. As is more fully disclosed in Note 2.6, these events or conditions, along with other matters as set forth in Note 2.6, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Overview

Audit Approach

We designed a risk-based audit approach in identifying and assessing the risks of material misstatement at both the financial statement and assertion levels.

Report on the Audit of Financial Statements (Continued)

Materiality

As in all our audits, we exercised our professional judgement in determining our materiality, which was also affected by our perception of the financial information needs of the users of the financial statements, being the magnitude of misstatement in the financial statements that makes it probable for a reasonably knowledgeable person to change or be influenced in his economic decision.

Scope of audit

For the audit of the current year's financial statements, we identified 11 significant components which required either full scope audit or specific audit of their financial information, either because of their size or/and their risk characteristics.

These significant components were audited by other Mazars offices as component auditors under our instructions. We determined the component materiality and our level of involvement in their audit necessary for us, in our professional judgement, to obtain sufficient appropriate audit evidence as a basis for our opinion on the Group's financial statements as a whole.

Areas of focus

We focused our resources and effort on areas which were assessed to have higher risks of material misstatement, including areas which involve significant judgements and estimates to be made by directors.

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 year. 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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be the key audit matters to be communicated in our report.

Report on the Audit of Financial Statements (Continued)

Key Audit Matters (Continued)

<table>
<tr><th>Key audit matter 1</th><th>Audit response</th></tr>
<tr><td colspan="2">Assessment of carrying amount of disposal group held for sale (Refer to Note 3.13 and Note 14 to the financial statements)</td></tr>
<tr><td>On 31 May 2023, a subsidiary, Aspen Glove Sdn. Bhd. (“AGSB”) and Kulim Technology Park Corporation Sdn. Bhd. (“KTPC”) entered into a Deed of Mutual Termination to terminate the Lease Agreement and surrender the Lease Land and the Factory Buildings to KTPC in accordance to the terms of the Lease Agreement. AGSB has ceased operation on 31 May 2023 and it represents a separate major line of business (healthcare segment) of the Group.

Management performed an assessment of the carrying amount of the asset and subsequently remeasured the fair value less costs to sell off the disposal group.

The Deed of Mutual Termination enabled AGSB to discharge and be released from its obligations under the Lease Agreement with KTPC and Facility Agreement with Standard Chartered Bank (“SCB”) and the Corporate Guarantee to SCB respectively. Following the receipt of the Paid Sum of RM28.4 million and the Ex Gratia Payment of RM25.0 million from KTPC, AGSB utilised the Paid Sum of RM28.4 million and Ex Gratia Payment of RM25.0 million to fully settle the Redemption Sum to SCB on 1 June 2023 amounting to RM52.7 million.

On 14 July 2023, AGSB submitted a winding-up petition to the High Court of Penang (the “Winding Up Petition”) for winding up of AGSB by the reason of the inability of AGSB to pay its debts.

On 18 September 2023, the winding up petition was called up for hearing. All the parties agreed to the consent order to wind up AGSB and for appointment of liquidator.

As AGSB has ceased operation on 31 May 2023 and it represents a separate major line of business (healthcare segment) of the Group, AGSB has been classified as discontinued operation as at 30 June 2023 in accordance with SFRS(I) 5 Non-current Assets Held for Sale and Discontinued Operations (“SFRS(I) 5”).

In consideration of the significance of the transaction, we determined this as a key audit matter.</td><td>Our audit procedures included, and were not limited to, the following:

- Reviewed the management’s assessment regarding the classification of AGSB pursuant to the criteria of discontinued operation under SFRS(I) 5;
- Evaluated the presentation of discontinued operations in the financial statements in accordance to SFRS(I) 5; and
- Evaluated the computation and classification of the results of the profit or loss on the discontinued operations in accordance to SFRS(I) 5.</td></tr>
</table>

Report on the Audit of Financial Statements (Continued)

Key Audit Matters (Continued)

<table>
<tr><th>Key audit matter 2</th><th>Audit response</th></tr>
<tr><td colspan="2">Revenue from property development (Refer to Note 3.17 and Note 22 to the financial statements)</td></tr>
<tr><td>The Group is in the business of developing and selling residential and commercial units. As disclosed in Note 22 to the financial statements, revenue from sales of development properties over time amounted to RM147.26 million which represented approximately 55% of the Group’s revenue for the financial year ended 30 June 2023.

As disclosed in Notes 3.17 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.</td><td>Our audit procedures included, and were not limited to the following:

- Reviewed the terms of the sales contracts and appropriateness of the Group’s accounting policy on revenue recognition under SFRS(I) 15;
- Understood and evaluated the Group’s design and implementation of its system of internal controls relating to revenue recognition, with focus on key controls;
- Assessed the criteria used by management to determine whether percentage of the completion (overtime) or completion (point in time) method to be used in revenue recognition is appropriate;
- Reviewed the contract costs to ensure that they meet the fulfilment cost criteria;
- Assessed the progress of the construction work by reference to the work performed based on the ratio of construction costs incurred to date to the estimated total construction costs;
- Performed analytical procedures, such as analysing the gross profit margins reported by project;
- Performed cut-off procedures; and
- Reviewed the completeness and appropriateness of corresponding disclosures in the financial statements.</td></tr>
</table>

<table>
<tr><th>Key audit matter 3</th><th>Audit response</th></tr>
<tr><td colspan="2">Allowance for foreseeable losses for projects under development and net realisable value test for unsold units (Refer to Note 3.7 and Note 8 to the financial statements)</td></tr>
<tr><td>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 significant risk that the carrying amount of the property development costs may exceed the net realisable values, resulting in unforeseen losses.</td><td>Our audit procedures included, and were not limited to the following:

- Reviewed management’s assessment of the carrying value of development properties in light of market conditions at year end, by considering the reasonableness of the estimated costs to completion and estimated selling price and assessed the need and adequacy for allowance for impairment losses.</td></tr>
</table>

Report on the Audit of Financial Statements (Continued)

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and the independent auditors' report thereon, which we obtained prior to the date of this 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 identified above 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 on the other information that we obtained prior to the date of this report, 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 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.

Report on the Audit of Financial Statements (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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 control.

- Obtain an understanding of internal control 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 control.

- 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 consolidated 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 control 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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on the Audit of Financial Statements (Continued)

Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

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 financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes 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 the subsidiary entities 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 Chin Chee Choon.

Mazars LLP
Public Accountants and
Chartered Accountants

Singapore
16 October 2023

Statements of Financial Position

As At 30 June 2023

	Note	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	4	115,731	343,103	–	–
Intangible assets	5	–	1,786	–	–
Subsidiaries	6	–	–	118,141	223,632
Associate and joint venture	7	–	96,357	1	–
Development properties	8	377,259	369,586	–	–
Trade and other receivables	12	1,115	7,926	–	–
Deferred tax assets	18	29,353	37,171	–	–
Total non-current assets		523,458	855,929	118,142	223,632
Current assets					
Development properties	8	337,076	425,141	–	–
Contract costs	9	20,927	29,028	–	–
Contract assets	10	45,550	60,013	–	–
Tax recoverables		6,918	5,590	–	–
Inventories	11	261	15,025	–	–
Trade and other receivables	12	79,832	86,856	266	167
Cash and cash equivalents	13	28,988	31,807	595	416
		519,552	653,460	861	583
Disposal group and assets classified as held for sales:					
Assets of disposal group classified as held for sale	14	5,637	–	–	–
Asset held for sale	14	32,851	–	–	–
Total current assets		558,040	653,460	861	583
Total assets		1,081,498	1,509,389	119,003	224,215
LIABILITIES					
Current liabilities					
Loans and borrowings	15	83,873	182,477	2,696	4,732
Trade and other payables	16	307,656	472,986	4,538	2,562
Contract liabilities	10	20,876	31,872	–	–
Current tax liabilities		9,509	10,872	–	–
		421,914	698,207	7,234	7,294
Liabilities directly associated with disposal group classified as held for sale	14	143,637	–	–	–
Total current liabilities		565,551	698,207	7,234	7,294

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

Statements of Financial Position (Continued)

As At 30 June 2023

	Note	Group		Company	
		2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Non-current liabilities					
Loans and borrowings	15	137,774	221,227	–	–
Trade and other payables	16	141,920	114,365	–	–
Non-current tax liabilities		15,776	22,736	–	–
Deferred tax liabilities	18	7,189	10,490	–	–
Total non-current liabilities		302,659	368,818	–	–
Total liabilities		868,210	1,067,025	7,234	7,294
EQUITY					
Share capital	19	316,786	316,786	316,786	316,786
Reserves	20	(126,016)	69,471	(205,017)	(99,865)
Equity attributable to owners of the Company		190,770	386,257	111,769	216,921
Non-controlling interests	21	22,518	56,107	–	–
Total equity		213,288	442,364	111,769	216,921
Total equity and liabilities		1,081,498	1,509,389	119,003	224,215

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

Consolidated Statement of Profit or Loss and Other Comprehensive Income

Financial Year Ended 30 June 2023

	Note	Group 1.7.2022 to 30.6.2023 RM'000	Group 1.1.2021 to 30.6.2022# RM'000
Continuing operations			
Revenue	22	270,043	352,595
Cost of sales	23	(234,722)	(289,972)
Gross profit		35,321	62,623
Other income		13,894	12,107
Administrative expenses		(48,841)	(86,648)
Selling and distribution expenses		(6,661)	(16,307)
Other operating expenses	24	(59,697)	(1,677)
Results from operating activities		(65,984)	(29,902)
Finance income		289	957
Finance costs		(13,321)	(2,203)
Net finance costs	25	(13,032)	(1,246)
Share of results of equity-accounted investees, net of tax		(17,100)	(2,106)
Loss before tax	26	(96,116)	(33,254)
Tax expense	27	(7,207)	(15,097)
Loss from continuing operations for the year		(103,323)	(48,351)
Discontinued operation			
Loss from discontinued operation, net of tax	14	(125,539)	(164,731)
Loss for the year		(228,862)	(213,082)
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		(214)	119
Other comprehensive (loss)/income, net of tax		(214)	119
Total comprehensive loss for the year		(229,076)	(212,963)
Loss for the year attributable to:			
Owners of the Company		(195,273)	(180,145)
Non-controlling interests		(33,589)	(32,937)
		(228,862)	(213,082)

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

Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

Financial Year Ended 30 June 2023

	Note	Group 1.7.2022 to 30.6.2023 RM'000	 1.1.2021 to 30.6.2022# RM'000
Loss for the year attributable to equity holders of the Company relates to:			
Loss from continuing operations		(99,066)	(56,367)
Loss from discontinued operation		(96,207)	(123,778)
		(195,273)	(180,145)
Total comprehensive loss for the year attributable to:			
Owners of the Company		(195,487)	(180,026)
Non-controlling interests		(33,589)	(32,937)
		(229,076)	(212,963)
Basic loss per share (cent)			
From continuing operations	28	(9.15)	(5.20)
From discontinued operation	28	(8.88)	(11.43)
Diluted loss per share (cent)			
From continuing operations	28	(9.15)	(5.20)
From discontinued operation	28	(8.88)	(11.43)

Comparative information has been re-presented due to a discontinued operation (Note 14).

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

Consolidated Statement of Changes In Equity

Financial Year Ended 30 June 2023

		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/ (Accumulated losses) RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total equity RM'000**
Group									
At 1 July 2022		316,786	89	(21)	37,442	31,961	386,257	56,107	442,364
Total comprehensive loss for the year									
Loss for the year		–	–	–	–	(195,273)	(195,273)	(33,589)	(228,862)
Other comprehensive loss, net of tax		–	(214)	–	–	–	(214)	–	(214)
Total comprehensive loss for the year		–	(214)	–	–	(195,273)	(195,487)	(33,589)	(229,076)
At 30 June 2023		316,786	(125)	(21)	37,442	(163,312)	190,770	22,518	213,288

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

Consolidated Statement of Changes In Equity (Continued)

Financial Year Ended 30 June 2023

	Note	Attributable to owners of the Company							
Group		Share capital RM'000	Translation reserve RM'000	Reserve for own shares RM'000	Merger reserve RM'000	Retained earnings/ (Accumulated losses) RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 January 2021		316,786	(30)	(21)	37,442	212,106	566,283	61,776	628,059
Total comprehensive income/(loss) for the year									
Loss for the year		–	–	–	–	(180,145)	(180,145)	(32,937)	(213,082)
Other comprehensive income, net of tax		–	119	–	–	–	119	–	119
Total comprehensive income/(loss) for the year		–	119	–	–	(180,145)	(180,026)	(32,937)	(212,963)
Changes in ownership interest in subsidiaries									
Acquisition of subsidiary with non-controlling interests		–	–	–	–	–	–	27,268	27,268
Total transactions with owners		–	–	–	–	–	–	27,268	27,268
At 30 June 2022		316,786	89	(21)	37,442	31,961	386,257	56,107	442,364

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

Consolidated Statement of Cash Flows

Financial Year Ended 30 June 2023

	Note	Group 1.7.2022 to 30.6.2023 RM'000	Group 1.1.2021 to 30.6.2022 RM'000
Cash flows from operating activities			
Loss before tax from continuing operations		(96,116)	(33,254)
Loss before tax from discontinued operation		(125,539)	(164,731)
		(221,655)	(197,985)
Adjustments for:			
Depreciation of property, plant and equipment		17,251	28,786
Amortisation of intangible assets		261	348
Finance costs		33,466	55,940
Finance income		(331)	(1,000)
Property, plant and equipment written off		110,098	938
Impairment loss on property, plant and equipment		8,024	98,417
Impairment loss on intangible assets		1,583	–
Impairment loss on receivables		6,935	–
Deposit forfeited		(22,365)	–
Loss/(Gain) on disposal of property, plant and equipment		10,909	(151)
Impairment loss on inventories		14,151	6,641
Loss on disposal of associates		–	10,723
Share of results of equity-accounted investees		17,101	2,106
Fair value loss of asset held for sale recognised		46,406	–
Unrealised loss on foreign exchange		–	152
		21,834	4,915
Changes in:			
- development properties		81,005	92,016
- contract costs		8,101	(17,066)
- contract assets		14,463	37,135
- trade and other receivables		3,830	(9,181)
- trade and other payables		26,400	146,824
- contract liabilities		(10,996)	29,438
Cash generated from operations		144,637	284,081
Tax paid		(12,375)	(22,990)
Net cash generated from operating activities		132,262	261,091
Cash flows from investing activities			
Acquisition of property, plant and equipment		(1,336)	(239,800)
Acquisition of intangible assets		–	(238)
Proceeds from sale of property, plant and equipment		61,962	173
Interest received		331	1,000
Proceeds from sale of associates		–	40,472
Acquisition of non-controlling interests in subsidiaries		–	(3,950)
Acquisition of investment in joint venture		(1)	–
Advances to associates		–	(2,310)
Net cash generated from/(used in) investing activities		60,956	(204,653)

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

Consolidated Statement of Cash Flows (Continued)
Financial Year Ended 30 June 2023

	Note	Group 1.7.2022 to 30.6.2023 RM'000	Group 1.1.2021 to 30.6.2022 RM'000
Cash flows from financing activities			
Changes in fixed deposit pledged		(116)	(2,343)
Proceeds from loans and borrowings		25,733	180,773
Repayment of loans and borrowings		(182,104)	(251,747)
Payment of lease liabilities		(7,006)	(27,558)
Capital injection from non-controlling interest		–	5,700
Contribution from non-controlling interest upon additional capital injection of a subsidiary		–	25,518
Advances from non-controlling interests		–	5,185
Interest paid		(30,039)	(48,529)
Net cash used in financing activities		(193,532)	(113,001)
Net decrease in cash and cash equivalents		(314)	(56,563)
Effect of exchange rate changes on cash and cash equivalents		(214)	(538)
Cash and cash equivalents as at beginning of year/period		26,687	83,788
Cash and cash equivalents as at end of year/period	13	26,159	26,687
Cash and bank balances			
- Continuing operations	13	26,097	17,595
- Discontinued operation	14	62	9,092
		26,159	26,687

Significant non-cash transactions

Acquisition of property, plant and equipment

During the financial year ended 30 June 2023, the Group acquired property, plant and equipment with an aggregate cost of RM12,909,000 (2022: RM239,954,000), of which RM11,479,000 (2022: RM5,728,000) relates to right-of-use assets.

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 of the Group and the statement of financial position of the Company for the financial year ended 30 June 2023 were authorised for issue by the directors on 16 October 2023.

1 Domicile and activities

1.1 General

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 financial year ended 30 June 2023 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 6 to the financial statements. The immediate and ultimate holding company is Aspen Vision Group Sdn. Bhd., a company incorporated in Malaysia.

1.2 Significant events

In November 2022, the Sungai Petani High Court had allowed Tialoc Malaysia Sdn. Bhd.'s ("Tialoc") application to strike out the originating summons ("OS") and notice of application filed by a subsidiary, Aspen Glove Sdn. Bhd. ("AGSB") in the Sungai Petani High Court against Tialoc for inter alia, (i) a declaration that Tialoc's reference of the payment dispute to adjudication pursuant to the CIPAA 2012 is in breach of the contract entered into between the parties and is null and void, (ii) a specific execution order that the alleged payment dispute be referred to the Dispute Avoidance and Adjudication Board, and (iii) an interim injunction to restrain Tialoc from proceeding with the adjudication proceedings pursuant to CIPAA 2012 until the full and final determination of the OS (the "Sungai Petani High Court's Decision"). AGSB had filed an appeal against the Sungai Petani High Court's Decision to the Court of Appeal and an application to the Court of Appeal to stay the CIPAA 2012 proceedings pending the appeal.

In November 2022, JR Engineering and Medical Technologies (M) Sdn Bhd ("JR") had served a statutory notice under s466 of the Companies Act 2016 on AGSB ("the Notice") which sets out JR's claim against AGSB amounting to a sum of RM22,363,243.07 allegedly as balance sum paid by JR to AGSB and that JR shall proceed to commence winding-up proceedings in the event no payment is made.

In December 2022, AGSB's solicitors filed an originating summons and a notice of application in the Shah Alam High Court against JR, seeking for, amongst others, a declaration that the Notice is null and void and that JR shall be restrained by an injunction from acting on the Notice including filing a winding-up petition against AGSB.

AGSB has also received a court order in relation to JR's ex-parte application for an interim injunction ("Ex-parte Order") essentially, amongst others, for the preservation of the sum of RM22,363,423.07 until the disposal of JR's counterclaim filed in the originating summons proceedings brought by AGSB against JR. In response, AGSB filed an application to (i) set aside the Ex-parte Order, and (ii) suspend compliance with the Ex-parte Order pending the hearing and disposal of AGSB's setting aside application.

In February 2023, the High Court of Malaya found in favour of AGSB and declared that the Notice is null and void and dismissed JR's Ex-parte Order ("High Court's Decision"). In March 2023, AGSB received notices of appeal filed by JR in the Court of Appeal of Malaysia against the High Court's Decision. The matter is currently still pending in court.

On 31 May 2023, the subsidiary, AGSB and Kulim Technology Park Corporation Sdn. Bhd. ("KTPC") have entered into a Deed of Mutual Termination ("Deed of Mutual Termination") to terminate the Lease Agreement and surrender the Lease Land and the Factory Buildings to KTPC in accordance to the terms of the Lease Agreement. Consequentially, all that piece of land held under Geran No. 218490, Lot 60230 of Seksyen 11, Bandar Lunas, Daerah Kulim, Negeri Kedah and factory buildings erected thereon ("Lease Land and Factory Buildings") were surrendered to KTPC pursuant to the Deed of Mutual Termination. Following the termination of the lease and surrender of the Lease Land and Factory Buildings to KTPC, AGSB had completely ceased operations and exited the healthcare business.

The Deed of Mutual Termination enabled AGSB to discharge and be released from its obligations under the Lease Agreement with KTPC and Facility Agreement and the Corporate Guarantee respectively. Following the receipt of the Paid Sum of RM28.4 million and the Ex Gratia Payment of RM25.0 million from KTPC, AGSB has utilised the Paid Sum of RM28.4 million and Ex Gratia Payment of RM25.0 million to fully settle the Redemption Sum to Standard Chartered Bank ("SCB") on 1 June 2023 amounting to RM52.7 million.

On 14 July 2023, AGSB submitted a winding-up petition to the High Court of Penang (the "Winding Up Petition") for winding up of AGSB pursuant to Section 465(1)(a) and (e) of the Companies Act 2016, by the reason of the inability of AGSB to pay its debts.

In July 2023, the Court of Appeal dismissed AGSB's application for stay of the CIPAA 2012 proceedings. In August 2023, the Adjudicator delivered the decision pursuant to CIPAA 2012 in favour of Tialoc ("Adjudication Decision"). AGSB disputes the Adjudication Decision and has filed applications in the Sungai Petani High Court to stay and set aside the Adjudication Decision. AGSB has also commenced arbitration proceedings against Tialoc in July 2023 for an aggregate amount of RM149,278,827.92 for (i) delay damages; and (ii) Tialoc's failure to remedy the defective works in accordance with the terms of its contract with AGSB, and the direct loss suffered by AGSB as a result of the actions of its subcontractor. The matter is currently still pending in court.

On 28 July 2023, AGSB had received the Adjudication Decision pursuant to CIPAA 2012 dated 28 July 2023 in relation to Tialoc's claim against AGSB (the "Adjudication Decision"). According to the Adjudication Decision, AGSB shall within seven (7) days of receipt of the Adjudication Decision pay to Tialoc:- i) the sum of RM84,348,615.31; ii) financing charges of RM6,245,971.93 and continuing, compounded monthly on the amounts unpaid at the rate of BR + 3% until the date of full payment; and iii) cost amounting to RM94,289.00. However, the financing charges of RM6,245,971.93 have already been included in the sum of RM84,348,615.31 based on Tialoc's payment claim. Thus, the Adjudicator erred in awarding financing charges of RM6,245,971.93 under a separate head. AGSB has filed applications to stay and set aside the Adjudication Decision.

On 28 August 2023, AGSB had received a Writ of Summons endorsed with a Statement of Claim (the "Writ") filed by Tialoc Malaysia Sdn. Bhd. ("Tialoc") in the High Court of Malaya at Penang, Malaysia (the "Suit"). Pursuant to the Writ, Tialoc is seeking, inter alia, the following:- (a) a declaration that AGSB is indebted to Tialoc for the sum of RM78,102,643.78 plus financing charges as the alleged outstanding sum (the "Alleged Outstanding Sum"), and pursuant to the Adjudication Decision; (b) a declaration that the Co-Defendants are liable for alleged fraudulent trading under s.540(1) of the Companies Act 2016; (c) a declaration that the directors of AGSB, the Company, and the Company's direct subsidiaries, Aspen Vision All Sdn. Bhd. and KHTP Assets Sdn. Bhd. ("Co-Defendants") are liable for the alleged debts owed by AGSB to Tialoc for the Alleged Outstanding Sum; and (d) an order that the Co-Defendants shall together with AGSB on joint and several basis and without any limitation of liability pay Tialoc for the Alleged Outstanding Sum. The Group vehemently denies any allegation of fraudulent trading and will rigorously resist and/or defend the Suit.

On 18 September 2023, the High Court of Malaya in Penang has ordered by consent that AGSB be wound up (the "Winding Up Order") and liquidator was appointed. Following the Winding Up Order, the assets and liabilities of AGSB have been deconsolidated from the Group with effect from 18 September 2023.

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

The individual financial statements of each Group entity are measured and presented in the currency of the primary economic environment in which the entity operates (its functional currency). The financial statements of the Group and the statement of financial position of the Company are presented in Malaysian ringgit ("RM") which is also the functional currency of the Company, and all values presented are rounded to the nearest thousand ("RM'000"), unless otherwise indicated.

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 year 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 financial year are included in the following notes:

Note 4	–	Measurement of recoverable amount of property, plant and equipment;
Note 5	–	Measurement of recoverable amount of intangible assets;
Note 6	–	Measurement of recoverable amounts of subsidiaries;
Note 7 and 14	–	Measurement of fair value less cost to sell of disposal group and asset held for sale;
Note 8	–	Assessment of risk of provision for foreseeable losses on property under development;
Note 8	–	Assessment of net realisable value of property under development and completed units;
Note 11	–	Inventories valuation method;
Note 18	–	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised;
Note 22	–	Revenue recognition - Measurement of stage of property development; and
Note 31	–	Measurement of estimated credit losses of trade and other receivables.

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 17 – share-based payment arrangements; and
- Note 31 – financial instruments.

2.5 Changes in significant accounting policy

In the current financial year, the Group has adopted all the new and revised standards which are relevant to the Group and are effective for annual financial periods beginning on or after 1 July 2022. With the exception of the amendments made to SFRS(I) 1-37 Onerous Contracts – Cost of Fulfilling a Contract, the adoption of these new/revised standards did not result in changes to the Group's and Company's accounting policies and has no material effect on the current or prior year's financial statement and is not expected to have a material effect on future periods.

SFRS(I) and SFRS(I) INT issued but not yet effective

At the date of authorisation of these statements, the following SFRS(I) and SFRS(I) INT that are relevant to the Group were issued but not yet effective:

SFRS(I)	Title	Effective date (annual periods beginning on or after)
SFRS(I) 1-8	Amendments to SFRS(I) 1-8: *Definition of Accounting Estimates*	1 January 2023
SFRS(I) 1-12, SFRS(I) 1	Amendments to SFRS(I) 1-12: *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*	1 January 2023

SFRS(I) 1-12	Amendments to SFRS(I) 1-12: *International Tax Reform – Pillar Two Model Rules*	1 January 2023
Various	Amendments to SFRS(I) 1-1 and SFRS(I) Practice Statement 2: *Disclosure of Accounting Policies*	1 January 2023
SFRS(I) 16	Amendments to SFRS(I) 16: *Lease Liability in a Sale and Leaseback*	1 January 2024
SFRS(I) 1-1	Amendments to SFRS(I) 1-1: *Classification of Liabilities as Current or Non-current*	1 January 2024
Various	Amendments to SFRS(I) 1-1: *Non-current Liabilities with Covenants*	1 January 2024
SFRS(I) 1-7, SFRS(I) 7	Amendments to SFRS(I) 1-7 and SFRS(I) 7: *Supplier Finance Arrangements*	1 January 2024
SFRS(I) 10, SFRS(I) 1-28	Amendments to SFRS(I) 10 and SFRS(I) 1-28: *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*	To be determined

Consequential amendments were also made to various standards as a result of these new/ revised standards.

The Group does not intend to early adopt any of the above new/revised standards, interpretations and amendments to the existing standards. Management anticipates that the adoption of the aforementioned revised/new standards will not have a material impact on the financial statements of the Group and Company in the period of their initial adoption.

2.6 Going concern

For the financial year ended 30 June 2023, the Group has incurred total comprehensive loss of RM229.08 million, and its current liabilities exceeded its current assets by RM7.51 million. Its current assets and liabilities included assets of disposal group classified as held for sale of RM5.64 million and liabilities directly with disposal group classified as held for sale of RM143.64 million.

The Group’s current liabilities of RM565.55 million comprise of bank borrowings which amounted to RM83.87 million as at 30 June 2023 which will be due for repayment within the next twelve months. The Group’s cash and cash equivalents balances amounted to RM28.99 million as at 30 June 2023. While the Group has current assets of RM558.04 million, these comprise mainly development properties of RM337.08 million which may not be realisable within the next twelve months.

The Group is facing several legal actions, including the recent allegation by a third party in the Penang High Court against AGSB, the directors of AGSB, the Company and its direct subsidiaries for fraudulent trading (the “Suit”), an allegation which the Group vehemently denies.

These conditions may cast significant doubt on the Group’s and the Company’s abilities to continue as a going concern.

In assessing the appropriateness of the going concern assumptions of the Group, the Directors are of the view that the use of going concern assumption to prepare the consolidated financial statements is appropriate based on the following factors:

(i) winding up of the subsidiary, AGSB with no significant cash outflow by the Group for at least twelve months from the report date;
(ii) in respect of the abovementioned Suit, there would be no significant cash outflow by the Group for at least twelve months from the report date;
(iii) continued support from the financial institutions and other creditors for at least twelve months from the report date;
(iv) achieving the forecasted cashflow from the Group’s operations including the expected cashflow from existing property development projects and the expected successful conversion of launching-in-progress property development projects into future revenues and cashflows; and
(v) continued support from its director, Dato’ Murly A/L Manokharan.

In the event that the Group and the Company are unable to continue in operational existence for at least twelve months from the report date, the Group and the Company may be unable to discharge its liabilities in the normal course of business and adjustments may have to be made to reflect the situation that assets may need to be realised in a manner other than in the normal course of business and at amounts which could differ from the amounts at which they are currently recorded in the balance sheet. In addition, the Group and the Company may have to reclassify non-current assets and liabilities as current assets and liabilities. No such adjustments have been made to these financial statements.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

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 and joint ventures (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.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only decisions about the relevant activities require unanimous consent of the parties sharing control.

Investments in associates and joint ventures 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
Plant and machinery	20 years
Sales gallery	9 years
Office and computer equipment, furniture and fittings	3 to 10 years
Tools and equipment, Lab equipment, electrical installation	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.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

<u>Reclassification to development properties</u>

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	10 years

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

The amortisation charge is recognised in profit or loss and is assessed for impairment when there is an indication that the intangible asset may be impaired. The estimated amortisation period and amortisation methods are reviewed, and adjusted as appropriate, at the end of each financial year.

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.

<u>As a lessee</u>

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.

Likewise, other inventories are valued at the lower of cost and net realisable value. Costs incurred in bringing the inventories to their present location and condition are accounted for, as follows:

- Raw materials, consumables and hardware: purchase costs.
- Finished goods and work-in-progress: costs of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, excluding borrowing costs.

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 year 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 years, 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 Disposal group and assets classified as held for sales

Disposal group and assets classified as held for sales when their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the sale is highly probable with the asset (or disposal group) being available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to be completed within one year from the date of classification.

They are measured at the lower of the carrying amount and fair value less costs to sell. Any impairment loss on initial classification and subsequent measurement is recognised as an expense. Any subsequent increase in fair value less costs to sell (not exceeding the accumulated impairment loss that has been previously recognised) is recognised in profit or loss.

Depreciation and amortisation for asset cease once it is classified as held for sale or while it is part of a disposal group classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale shall continue to be recognised.

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and

(i) represents a separate major line of business or geographical area of operations;
(ii) is part of a single co-ordinated plan to dispose of a separate major line or geographical area of operations; or
(iii) is a subsidiary acquired exclusively with a view to resale.

The results of discontinued operations is disclosed separately from continuing operations as a single amount comprising the post-tax profit or loss of discontinued operations and the post-tax gain or loss recognised on the measurement to fair value less costs to sell or on the disposal of the assets or disposal groups constituting the discontinued operation.

3.14 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 years 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) Subsidiaries and associate

An impairment loss in respect of subsidiaries and 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.

3.15 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 years 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.

3.16 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).

3.17 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 year 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.

(iii) Sales of rubber gloves (Discontinued operation)

The Group is involved in manufacturing of rubber gloves, other rubber products n.e.c. and research and development on engineering and technology.

Revenue is recognised at point in time upon transfer of control of the goods to the customers. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, or the possible return of goods. The amount of revenue recognised is based on the estimated transaction price, which comprises the contractual price, net of the estimated volume rebates.

3.18 Government grants

The government grants are recognised initially as deferred income 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.

3.19 Finance income and finance costs

The Group's finance income and finance costs include:

- interest income;
- interest expense;
- dividend income; and
- dividend expense on redeemable preference shares issued classified as 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.

3.20 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.

3.21 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.

3.22 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.

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	Plant and machinery RM'000	Construct-ion-in-progress RM'000	Total RM'000
Group											
Cost											
At 1 January 2021	28,962	48,170	101,480	18,085	6,914	24,984	3,421	9,033	–	38,667	279,716
Additions	–	2,136	147,216	922	–	1,971	921	1,058	38,914	46,816	239,954
Write-off	–	–	(5,917)	(1,064)	–	–	(25)	(1,180)	–	(1,752)	(9,938)
Disposals	–	–	–	–	–	(12)	–	(1,253)	–	–	(1,265)
Reclassification	(2,669)	–	16,246	–	–	–	11	–	17,571	(31,159)	–
Effect of movement in exchange rate	–	–	554	39	–	(76)	11	–	–	–	528
At 30 June 2022	26,293	50,306	259,579	17,982	6,914	26,867	4,339	7,658	56,485	52,572	508,995
Additions	–	428	11,052	775	–	174	25	–	–	455	12,909
Write-off	–	–	(171,866)	–	–	(1,373)	(831)	–	–	(192)	(174,262)
Disposals	–	(50,003)	–	–	–	(404)	–	(2,582)	(56,485)	(46,868)	(156,342)
Reclassification to assets of disposal group classified as held for sale (Note 14)	–	–	–	–	–	–	–	(206)	–	–	(206)
Effect of movement in exchange rate	–	–	1,215	342	–	34	62	–	–	–	1,653
At 30 June 2023	26,293	731	99,980	19,099	6,914	25,298	3,595	4,870	–	5,967	192,747

	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	Plant and machinery RM'000	Construct-ion-in-progress RM'000	Total RM'000
Group											
Accumulated depreciation											
At 1 January 2021	–	589	8,029	5,367	5,893	11,145	1,694	6,990	–	–	39,707
Depreciation charge for the year	–	1,354	12,327	3,300	382	6,094	744	1,832	2,753	–	28,786
Write-off	–	–	(1,726)	(289)	–	–	(6)	(1,180)	–	–	(3,201)
Disposals	–	–	–	–	–	(3)	–	(1,232)	–	–	(1,235)
Effect of movement in exchange rate	–	–	106	18	–	53	5	–	–	–	182
At 30 June 2022	–	1,943	18,736	8,396	6,275	17,289	2,437	6,410	2,753	–	64,239
Depreciation charge for the year	–	764	8,550	2,116	255	3,640	468	478	980	–	17,251
Write-off	–	–	(8,083)	–	–	(321)	(226)	–	–	–	(8,630)
Disposals	–	(2,194)	–	–	–	(273)	–	(2,037)	(3,733)	–	(8,237)
Reclassification to assets of disposal group classified as held for sale (Note 14)	–	–	–	–	–	–	–	(78)	–	–	(78)
Effect of movement in exchange rate	–	–	441	143	–	30	36	–	–	–	650
At 30 June 2023	–	513	19,644	10,655	6,530	20,365	2,715	4,773	–	–	65,195

	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	Plant and machinery RM'000	Construct-ion-in-progress RM'000	Total RM'000
Group											
Accumulated impairment losses											
At 1 January 2021	–	–	3,236	–	–	–	–	–	–	–	3,236
Impairment loss recognised	–	–	24,137	–	–	–	–	–	31,732	42,548	98,417
At 30 June 2022	–	–	27,373	–	–	–	–	–	31,732	42,548	101,653
Impairment loss recognised	–	–	7,312	777	–	2	39	–	(106)^	–	8,024
Write-off	–	–	(24,137)	–	–	–	–	–	–	–	(24,137)
Disposals	–	–	–	–	–	–	–	–	(31,626)	(42,548)	(74,174)
Effect of movement in exchange rate	–	–	409	44	–	–	2	–	–	–	455
At 30 June 2023	–	–	10,957	821	–	2	41	–	–	–	11,821
Carrying amounts											
At 30 June 2022	26,293	48,363	213,470	9,586	639	9,578	1,902	1,248	22,000	10,024	343,103
At 30 June 2023	26,293	218	69,379	7,623	384	4,931	839	97	–	5,967	115,731

^ Includes costs recovered from contractor and/or vendors during the year that were previously paid or accrued.

Property, plant and equipment includes right-of-use assets of RM7,180,000 (2022: RM61,054,000) applicable to leasehold land, buildings and motor vehicles (see Note 29).

Impairment losses

During the financial period ended 30 June 2022, due to scaling down of healthcare segment, the Group carried out a review of the recoverable amount of the leasehold land, factory building and plant and machinery including those under construction and the review led to the recognition of an impairment loss of RM 98,417,000 that has been recognised in profit or loss. The recoverable amount of the relevant assets has been determined on the basis of their fair value less costs of disposal based on a recent valuation carried out by the independent plant and machinery valuer. On 31 May 2023, AGSB and KTPC entered into a Deed of Mutual Termination to terminate the Lease Agreement and surrender the Lease Land and the Factory Buildings to KTPC in accordance to the terms of the Lease Agreement. AGSB has ceased operation on 31 May 2023 and it represents a separate major line of business (healthcare segment) of the Group. The Group had recognised loss on written off and disposal of property, plant and equipment amounting to RM10.91 million and RM111 million respectively. As at the financial year ended 30 June 2023, there is no further impairment loss on the remaining property, plant and equipment for the healthcare segment.

During the financial year ended 30 June 2023, the Group carried out a review of the recoverable amount of the food and beverage segment. The review led to the recognition of an impairment loss of RM8,024,000 that has been recognised in profit or loss. The recoverable amount of the property, plant and equipment of the food and beverage segment has been determined on the basis of value-in-use model. The key assumptions underlying the impairment assessment of its property, plant and equipment are cash flow projections covering the respective outlet's lease period, and the discount rate used in the current estimate is 10%.

The Group carried out a review of the recoverable amount of the building, Vervea Trade and Exhibition Centre and carparks ("VTEC") and there is the review led to no further impairment loss being recognised in profit or loss during the year. The recoverable amount of the relevant assets has been determined on the basis of their fair value less costs of disposal 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", except for healthcare segment, the impairment loss was included in "loss from discontinued operation".

Security

At 30 June 2023, freehold land and buildings of the Group with carrying amounts of RM11,000,000 and RM11,096,000 (2022: RM59,085,000 and RM10,734,000) respectively, were pledged as security to secure bank loans (Note 15).

5 Intangible assets

	Group Franchise license RM'000
Cost	
At 1 January 2021	2,031
Additions	238
Effect of movement in exchange rate	92
At 30 June 2022	2,361
Effect of movement in exchange rate	213
At 30 June 2023	2,574

	Group Franchise license RM'000
Accumulated amortisation	
At 1 January 2021	224
Amortisation charge for the year	348
Effect of movement in exchange rate	3
At 30 June 2022	575
Amortisation charge for the year	261
Effect of movement in exchange rate	155
At 30 June 2023	991
Accumulated impairment losses	
At 1 January 2021 and 30 June 2022	–
Impairment loss recognised	1,583
At 30 June 2023	1,583
Carrying amounts	
At 30 June 2022	1,786
At 30 June 2023	–

Amortisation

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

Impairment losses

During the financial year ended 30 June 2023, the food and beverage segment was making losses for consecutive years which is indication of impairment for the underlying asset. The Group carried out a review of the recoverable amount of the intangible asset, and the review led to the recognition of an impairment loss of RM1,583,000, that has been recognised in profit or loss. The recoverable amount of the relevant assets has been determined on the basis of their value in use. The discount rate used in the estimate of value in use is 10%.

6 Subsidiaries

	Company 2023 RM'000	 2022 RM'000
Equity investments at cost	161,532	161,532
Redeemable preference shares	62,100	62,100
Impairment loss	(105,491)	–
	118,141	223,632
Accumulated impairment loss		
At the beginning of financial year/period	–	–
Impairment loss recognised	105,491	–
At the end of financial year/period	105,491	–

In 2018, the Company subscribed 621,000 redeemable preference shares ("RPS") issued by Aspen Vision All Sdn. Bhd. ("AV All") 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.

In the financial year ended 30 June 2023, the Company recognised impairment loss of RM95,000,000 and RM10,491,000 on its investment in AV All and Kanada-Ya SG Pte. Ltd. respectively as the recoverable amounts are lower than its carrying amount. Such recoverable amounts are estimated based on the fair value less costs to sell approach of these subsidiaries.

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	
			2023 %	2022 %
Aspen Vision All Sdn. Bhd. ("AV All") (1)	Malaysia	Investment holding	100	100
Kanada-Ya SG Pte. Ltd. ("Kanada-Ya SG") (2)	Singapore	Restaurants	100	100
Subsidiaries of AV All				
Aspen Vision Construction Sdn. Bhd. ("AV Construction") (1)	Malaysia	General construction	100	100
AG Innovation Sdn. Bhd. ("AG Innovation") (1)	Malaysia	IT services	100	100
Aspen Vision Properties Sdn. Bhd. ("AV Properties") (1)	Malaysia	Investment holding	100	100
Aspen Vision Credit Sdn. Bhd. ("AV Credit") (1)	Malaysia	Investment holding	100	100
Aspen Glove Sdn. Bhd. ("AGSB") (1)	Malaysia	Investment holding and manufacturing of gloves	75	75
Subsidiaries of AV Properties				
Aspen Vision Development Sdn. Bhd. ("AV Development") (1)	Malaysia	Provision of management services and investment holding	100	100
Aspen Vision Development (Central) Sdn. Bhd. ("AVD Central") (1)	Malaysia	Investment holding and property development	100	100
Aspen Vision Synergy Sdn. Bhd. ("AV Synergy") (1)	Malaysia	Property development	100	100
Aspen Vision Realty Sdn. Bhd. ("AV Realty") (1)	Malaysia	Dormant	100	100

Name of subsidiaries	Principal place of business/ Country of incorporation	Principal activities	Ownership interest	
			2023 %	2022 %
Aspen Vision Homes Sdn. Bhd. ("AV Homes") (1)	Malaysia	Investment holding	51	51
Subsidiaries of AV Development				
Aspen Vision Land Sdn. Bhd. ("AV Land") (1)	Malaysia	Investment holding	100	100
Aspen Vision Builders Sdn. Bhd. ("AV Builders") (1)	Malaysia	Property development	100	100
Aspen Vision Ventures Sdn. Bhd. ("AV Ventures") (1)	Malaysia	Property development	100	100
Aspen Vision Tanjung Sdn. Bhd. ("AV Tanjung") (1)	Malaysia	Property development	100	100
Viana Mentari Sdn. Bhd. ("VMSB") (1)	Malaysia	Investment Holding	100	100
Subsidiary of AV Homes				
Aspen Park Hills Sdn. Bhd. ("APH") (1)	Malaysia	Property development	51	51
Subsidiary of AV Land				
Aspen Vision City Sdn. Bhd. ("AV City") (1)	Malaysia	Property development	80	80
Subsidiary of AGSB				
AG Medical Tech Sdn. Bhd. ("AGMT") (1)	Malaysia	Dormant	75	75
Subsidiary of Kanada-Ya SG				
Kanada-Ya Restaurants Pte. Ltd. ("Kanada-Ya RES") (2)	Singapore	Restaurants	100	100

[1] Audited by Mazars PLT, Malaysia
[2] Audited by Mazars LLP, Singapore

7 Associate and joint venture

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Interest in joint venture/associate	–	73,872	1	–
Redeemable preference shares	–	22,485	–	–
	–	96,357	1	–

Redeemable preference shares ("RPS") in associates are issued by Global Vision Logistics Sdn. Bhd. ("GVL") at RM22,485,000 redeemable for a period of 10 years and bears dividend of 3.5%.

Associate and joint venture

As at 30 June 2023, the Group has 1 joint venture which is not material and is equity accounted for. As at 30 June 2022, the Group has 1 material associate. Details of the associate and joint venture are as follows:

	Principal place of business/ Country of incorporation	Principal activities	Ownership interest 2023 %	Ownership interest 2022 %
KHTP Assets Sdn. Bhd. ("KASB")* (A)	Malaysia	Investment holding	70	–
GVL#(B)	Malaysia	Investment holding	16.38	30

* The results are consolidated based on the unaudited financial statements. KASB previously known as Dynamic Tune Sdn. Bhd..

\# Audited by PCCO PLT, Malaysia.

(A) On 2 March 2023, KASB is incorporated in Malaysia. KASB has an initial issued and paid-up share capital of RM1,000 divided into 1000 ordinary shares, of which 700 ordinary shares are held by the Company.

On 6 June 2023, the Company enters into Shareholders Agreement with a third party company who jointly controls KASB subject to casting vote by the Company under the contractual agreement and requires unanimous consent for significant decisions over the relevant activities.

On 6 June 2023, KASB simultaneously enter into a lease agreement with a third party whereby the third party will lease and KASB will take the lease land and the factory buildings for a period of 60 years. The lease consideration is to be satisfied by way of allotment and issuance of Redeemable Preference Shares of RM46,170,160.

The following summarises the financial information of joint venture, KASB 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:

	KASB RM'000
2 March 2023 (date of incorporation) to 30 June 2023	
Revenue	–
Profit after tax	(2)
OCI	–
Total comprehensive income	(2)
Non-current assets	46,170
Current assets	1,601
Non-current liabilities	(46,170)
Current liabilities	(1,602)
Net liabilities	(1)
Attributable to the Group/Carrying amount of interest in joint venture at the end of the year	–

	KASB RM'000
2 March 2023 (date of incorporation) to 30 June 2023	
Group's interest in net assets of investee at beginning of the year	1
Group's share of:	
- Profit after tax	(1)
- OCI	–
- Total comprehensive income	(1)
Carrying amount of interest in investee at end of the year	–

(B) 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.

On 24 March 2023, the Company's indirect subsidiary, Aspen Vision Properties Sdn. Bhd. ("AVP") had entered into a sale and purchase agreement with Hartamas Mentari Sdn. Bhd. ("HMSB") and Swift Haulage Bhd. ("SHB") for the sale of its entire shareholding of 30% of the issued and paid-up share capital in GVL for an aggregate cash consideration of RM32,851,017 ("Proposed Divestment"). Accordingly, the investment in associate is classified as asset held-for-sale (Note 14).

The result of GVL from 1 July 2022 to 24 March 2023 has been equity accounted for in profit and loss of the current financial year.

On 21 June 2023, 763,998, 697,473 and 110,039 new Ordinary Shares in GVL have been issued to HMSB, SHB, Ideal Force Sdn. Bhd. ("IFSB") respectively pursuant to a renounceable right issue exercise initiated by GVL. AVP did not take up the right shares provisionally allotted to AVP in view of the Proposed Divestment, consequentially, AVP's shareholdings in GVL had been diluted to 16.38%.

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

	GVL RM'000
1 July 2022 to 24 March 2023 (date of reclassification)	
Revenue	–
Profit after tax	(56,999)
OCI	–
Total comprehensive income	(56,999)
Net assets at 24 March 2023 (date of reclassification)	189,241
Attributable to the Group/Carrying amount of interest in associate at 24 March 2023 (date of reclassification)	56,772

	GVL RM'000
1 July 2022 to 24 March 2023 (date of reclassification)	
Group's interest in net assets of investee at beginning of the year	73,872
Group's share of:	
- Profit after tax	(17,100)
- OCI	–
- Total comprehensive income	(17,100)
Carrying amount of interest in investee at 24 March 2023 (date of reclassification)	56,772
Reclassified to asset held for sale	(56,772)
Carrying amount of interest in investee at the end of the year	–
30 June 2022	
Revenue	–
Profit after tax^	(4,041)
OCI	–
Total comprehensive income	(4,041)
Non-current assets	504,021
Current assets	3,952
Non-current liabilities	(261,682)
Current liabilities	(51)
Net assets	246,240
Attributable to the Group/Carrying amount of interest in associate at the end of the year	73,872
Group's interest in net assets of investee at beginning of the year	75,083
Group's share of:	
- Profit after tax	(1,211)
- OCI	–
- Total comprehensive income	(1,211)
Carrying amount of interest in investee at end of the year	73,872

^ The financial statements of GVL are made up to 30 September each year. For the purpose of applying the equity method of accounting, the financial statements of GVL for the year ended 30 September 2022 have been used, and appropriate adjustments have been made for the effects of significant transactions between that date and 30 June 2022.

8 Development properties

	Group 2023 RM'000	2022 RM'000
Current		
Properties under development, for which revenue is to be recognised over time		
Land and land related costs	146,928	185,379
Development costs	118,742	107,393
	265,670	292,772
Completed units	71,406	132,369
	337,076	425,141
Non-current		
Land held for property development		
Land and land related costs	318,375	318,375
Development costs	58,884	51,211
	377,259	369,586
Total development properties	714,335	794,727

(i) During the year, development properties for sale of RM217,710,000 (2022: RM286,845,000) 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 RM1,457,000 (2022: RM2,485,000).

(iii) Land costs (sold units)

As at 30 June 2023, land related costs that are attributable to the sold units amounted to RM14,878,000 (2022: RM21,930,000). 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 30 June 2023 is RM11,787,000 (2022: RM16,060,000).

(iv) Interest expenses

Included in the development properties was interest expenses capitalised of RM93,039,000 (2022: RM80,810,000).

Security

At 30 June 2023, the land and land related cost of RM423,714,000 (2022: RM447,217,000) and completed units of RMNil (2022: RM16,250,000) 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.

Particulars of the development properties as at 30 June 2023 are as follows:

Location & Title Details	**Short Description of the Intended Development**	**Approximate Land Area/Built-up Area (sq. ft.)**	**Tenure**	**% of Controlling Interest**
Kajang, Selangor, Malaysia Geran 334702, Lot No. 24739 (formerly known as Lot No. PT 38090), Bandar Batu 18, Semenyih, Daerah Ulu Langat, Selangor Darul Ehsan, Malaysia.	Serviced Apartments	247,075	Freehold	100%
Tanjung Bungah, Penang, Malaysia. GRN 2396 & 13575 corresponding with Lot No. 2601 and 3603 respectively, located at Bandar Tanjong Bungah, Daerah Timor Laut, Negeri Pulau Pinang, Malaysia.	Mixed development	196,250	Freehold	100%
Batu Kawan, Penang, Malaysia. Parts of Parcel 5 and Parcel 6, Lot 282, Mukim 13, Batu Kawan, Seberang Perai Selatan, Penang, Malaysia.	Mixed development	1,785,524	Freehold	80%
Tanjung Tokong, Penang, Malaysia. Lot 3625 and 3626, Mount Erskine Tanjung Tokong, Penang, Malaysia.	Mixed development	128,252	Freehold	100%

9 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
	2023	**2022**
	RM'000	**RM'000**
Capitalised commission and legal fees	20,927	29,028

10 Contract assets/(liabilities)

	Note	Group 2023 RM'000	Group 2022 RM'000
Contract assets	(i)	45,550	60,013
Contract liabilities	(ii)	(20,876)	(31,872)
		24,674	28,141

(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 2023 RM'000	Group 2022 RM'000
Contract assets		
At beginning of the financial year/period	60,013	97,148
Contract asset reclassified to trade receivables	(60,013)	(97,148)
Progress billings raised during the year/period	(101,707)	(80,926)
Revenue recognised during the year/period	147,257	140,939
At end of the financial year/period	45,550	60,013

	Group 2023 RM'000	Group 2022 RM'000
Contract liabilities		
At beginning of the financial year/period	(31,872)	(2,434)
Revenue recognised that was included in the contract liabilities balance at the beginning of the year/period	31,872	2,434
Increases due to cash received, excluding amounts recognised as revenue during the year/period	(20,876)	(31,872)
At end of the financial year/period	(20,876)	(31,872)

11 Inventories

	2023 RM'000	Group 2022 RM'000
Housing quotas	–	14,151
Food and beverages	261	360
Healthcare	–	514
	261	15,025
Housing quotas		
At beginning of the financial year/period	14,151	17,603
Utilisation of housing quotas	–	(3,452)
Written down	(14,151)	–
At end of the financial year/period	–	14,151

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.

During the financial year, the inventories were reduced by RM14,151,000 as a result of the write down on the housing quota. During the financial year 2022, the inventories were reduced by RM6,641,000 as a result of the write down on the glove stocks to net realisable value. The write-down is included in cost of sales.

12 Trade and other receivables

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current				
Trade receivables	54,266	62,367	–	–
Non-trade amounts due from:				
- holding company	476	439	171	167
- subsidiaries	–	–	81,523	84,447
Less: loss allowance	–	–	(81,523)	(84,447)
	54,742	62,806	171	167
Other receivables	17,651	10,075	95	–
Deposits	2,880	8,600	–	–
	75,273	81,481	266	167
Prepayments	4,559	5,375	–	–
	79,832	86,856	266	167
Non-current				
Deposits	1,115	936	–	–
Advances to associates	–	6,990	–	–
	1,115	7,926	–	–
Total trade and other receivables	80,947	94,782	266	167

	Group 2023 RM'000	Group 2022 RM'000
Trade and other receivables		
- Continuing operations	80,947	94,782
- Discontinued operation (Note 14)	3,070	–
	84,017	94,782

The non-trade amounts due from holding company and subsidiaries are unsecured, interest-free and repayable on demand, except for certain amounts due from subsidiaries amounting to RM51,659,000 (2022: RM55,586,000) which are unsecured, subject to interest of 1.5% - 2.45% (2022: 1.5%) per annum and repayable on demand.

There is loss allowance for non-trade amount due from subsidiaries amounting to RM81,523,000 (2022: RM84,447,000). The Group's exposure to credit risk and impairment losses related to trade and other receivables is disclosed in Note 31.

During year 2022, advances of RM6,990,000 were made to associate with a view to be converted to redeemable preferences shares to be issued by GVL. AVP did not proceed with the subscription of the redeemable preference shares due to the proposed divestment of entire interest in GVL. The advance is fully repaid by August 2023.

The other receivables are unsecured, interest-free and repayable on demand.

Deposits comprise mainly the security deposits.

13 Cash and cash equivalents

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Short term investment fund	65	65	65	65
Cash and bank balances				
- Continuing operations	28,923	31,742	530	351
Cash and cash equivalents in the statements of financial position	28,988	31,807	595	416
Cash and bank balances				
- Discontinued operation (Note 14)	2,405	–	–	–
Fixed deposits pledged				
- Continuing operations	(2,891)	(5,120)	–	–
- Discontinued operation	(2,343)	–	–	–
Cash and cash equivalents	26,159	26,687	595	416

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 RM13,813,000 (2022: RM4,323,000), 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 RM5,234,000 (2022: RM5,120,000) 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 31.

14 Disposal group and assets classified as held for sales

(i) Discontinued operations and disposal group held for sale and liabilities associated with disposal group classified as held for sale.

Aspen Glove Sdn. Bhd. ("AGSB")

In December 2022, the Board of Directors approved the mandate to take the necessary steps to initiate the winding up process of its subsidiary, Aspen Glove Sdn. Bhd. ("AGSB"), comprising its healthcare segment. On 14 July 2023, AGSB submitted a winding-up petition to the High Court of Penang for winding up of AGSB pursuant to Section 465(1)(a) and (e) of the Companies Act 2016, by the reason of the inability of AGSB to pay its debts. The entire assets and liabilities related to AGSB was presented as a discontinued operation classified held-for-sale as at 30 June 2023, and the entire results from AGSB was presented separately on the statement of comprehensive income as 'Discontinued operation' for the financial year ended 30 June 2023. The discontinued operation was previously presented under the 'healthcare' reportable segment of the Group.

(a) The results of the discontinued operation are as follows:

		Group
	2023	**2022**
	RM'000	**RM'000**
Revenue	179	26,955
Expenses	(125,718)	(191,686)
Loss before tax from discontinued operation	(125,539)	(164,731)
Tax	–	–
Loss after tax from discontinued operation	(125,539)	(164,731)

(b) The cash flows attributable to the discontinued operation was as follows:

		Group
	2023	**2022**
	RM'000	**RM'000**
Operating cash (outflows)/inflows	(21,300)	83,405
Investing cash inflows/(outflows)	66,576	(237,131)
Financing cash (outflows)/inflows	(52,019)	141,593
Total cash outflows	(6,743)	(12,133)

(c) Details of the assets of discontinued operation classified as held for sale are as follows:

	Group 2023 RM'000
Disposal group and assets classified as held for sale	
Property, plant and equipment (Note 4)	128
Tax recoverable	34
Trade and other receivables (Note 12)	3,070
Cash and bank balances (Note 13)	2,405
	5,637
Liabilities directly associated with disposal group and assets classified as held for sale	
Lease liabilities (Note 15)	1,510
Trade and other payables (Note 16)	142,127
	143,637

(ii) Non-current assets held for sale

Global Vision Logistics Sdn. Bhd. ("GVL")

On 24 March 2023, the Group reclassified the investment in associate to non-current asset held for sale. Refer to Note 7 for details.

As at 30 June 2023, the Group meassured the non-current assets held for sale at fair value less costs to sell. The Group used market approach in the fair value measurement and adopted the sales consideration of RM32,851,017 to approximate the fair value of the non-current asset held for sale. The level of the fair value hierarchy is categorised as Level 3.

On 24 July 2023, the divestment of 16.38% interest in GVL to HMSB and SHB for an aggregate cash consideration of RM32,851,017 was approved in the EGM. On 2 August 2023, the disposal of the equity interest and redeemable preference shares of GVL was completed.

	---- GVL ---- RM'000
31 March 2023	
Investment in associate classified as asset held for sale	
- Interest in associate	56,772
- Redeemable preference shares	22,485
	79,257
Fair value loss of asset held for sale	(46,406)
Carrying amount of asset held for sale at end of the financial year	32,851

15 Loans and borrowings

	Group 2023 RM'000	Group 2022 RM'000	Company 2023 RM'000	Company 2022 RM'000
Current				
Lease liabilities	728	18,777	–	–
Term loans and bridging loans – secured	66,160	147,825	2,696	4,732
Revolving credit – secured	12,000	12,000	–	–
Bank overdraft	4,985	3,875	–	–
	83,873	182,477	2,696	4,732
Non-current				
Lease liabilities	16,234	23,939	–	–
Term loans and bridging loans – secured	83,400	159,148	–	–
Redeemable preference shares	38,140	38,140	–	–
	137,774	221,227	–	–
Total loans and borrowings	221,647	403,704	2,696	4,732

	Group 2023 RM'000	Group 2022 RM'000
Lease liabilities		
- Continuing operations	16,962	42,716
- Discontinued operation (Note 14)	1,510	–
	18,472	42,716

The Group's exposure to interest rate and liquidity risks related to loans and borrowings is disclosed in Note 31.

Terms and debt repayment schedule

	Effective interest rate %	Year of maturity	Currency	2023 Face value RM'000	2023 Carrying amount RM'000	2022 Face value RM'000	2022 Carrying amount RM'000
Group							
Lease liabilities	1.75-6.69 (2022: 1.84 – 6.69)	2023-2044	RM	23,044	16,962	44,093	42,716
Term loans and bridging loans – secured	4.65-8.65 (2022: 4.21 – 6.89)	2023-2038	RM	179,716	149,560	330,649	306,973
Revolving credit – secured	4.65 (2022: 4.49)	2023	RM	12,000	12,000	12,000	12,000
Redeemable preference shares	5.50 (2022: 5.50)	On demand	RM	38,140	38,140	38,140	38,140
Bank overdraft	5.63 (2022: 7.39)	2023	RM	4,985	4,985	3,875	3,875
				257,885	221,647	428,757	403,704

Securities

The term loans are secured over the freehold land and buildings under development properties (Note 8), fixed and floating charges over certain subsidiaries' present and future assets, fixed deposits placed by the subsidiaries (Note 13), joint and several guarantee by certain directors of the subsidiaries and corporate guarantees by subsidiaries.

The revolving credit facility is secured over corporate guarantee by the Company.

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 RM160,966,000 (2022: RM212,802,000) granted to three subsidiaries which expire over a period between year 2023 - 2026.

The Company has evaluated the fair value of the corporate guarantee. Consequently, the Company is of the view that the initial recognition of fair value of the guarantees to the banks and financial institutions with regard to the subsidiaries is not significant. The Company has not recognised any liability in respect of the guarantees given for banking facilities granted to the subsidiaries as the Company's directors have assessed that the likelihood of the subsidiaries defaulting on repayment is remote.

Redeemable preference shares

During 2020, AV City, a partially-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 at the option of the RPS holders and dividend payments are not discretionary.

The salient features of the RPS are as follows:

(a) 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 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.

(b) The RPS shall not be convertible into or exchangeable for shares of another class of AV City.

(c) 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.

(d) 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 together with arrears of unpaid dividends up to the date of redemption. The RPS to be redeemed on such occasion shall be determined at such time and place in such manner as the RPS holders may determine.

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.

(e) 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, subject to not less than seven (7) business days' notice in writing being given.

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 2021	431,786	7,663	64,596	504,045
Changes from financing cash flows				
Proceeds from loan and borrowings	180,773	–	–	180,773
Repayment of loan and borrowings	(251,747)	–	–	(251,747)
Payment of lease liabilities	–	–	(27,558)	(27,558)
Interest paid	(30,228)	(14,567)	(3,734)	(48,529)
Total changes from financing cash flows	(101,202)	(14,567)	(31,292)	(147,061)
Other changes – liability-related				
New leases	–	–	5,679	5,679
Interest expense	30,228	21,955	3,733	55,916
Effect of exchange rate changes	176	–	–	176
Total liability-related other changes	30,404	21,955	9,412	61,771
Balance at 30 June 2022	360,988	15,051	42,716	418,755

	Loans and borrowings RM'000 (Note 15)	Interest payable RM'000 (Note 16)	Lease liabilities RM'000 (Note 15)	Total RM'000
Changes from financing cash flows				
Proceeds from loan and borrowings	25,733	–	–	25,733
Repayment of loan and borrowings	(182,104)	–	–	(182,104)
Payment of lease liabilities	–	–	(7,006)	(7,006)
Interest paid	(28,817)	–	(1,222)	(30,039)
Total changes from financing cash flows	(185,188)	–	(8,228)	(193,416)
Other changes – liability-related				
New leases	–	–	11,479	11,479
Termination of lease	–	–	(6,367)	(6,367)
	–	–	5,112	5,112
Interest expense	28,819	7,048	1,222	37,089
Surrender of lease land	–	–	(22,350)	(22,350)
Effect of exchange rate changes	66	–	–	66
Total liability-related other changes	28,885	7,048	(16,016)	19,917
Balance at 30 June 2023	204,685	22,099	18,472	245,256

16 Trade and other payables

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Current				
Trade payables	178,456	135,981	–	–
Other payables	52,602	245,426	1,331	1,547
Non-trade amounts due to:				
- subsidiaries	–	–	1,555	141
Accrued operating expenses	64,246	76,528	1,652	874
Interest payable	12,352	15,051	–	–
	307,656	472,986	4,538	2,562
Non-current				
Other payables	141,081	113,644	–	–
Provision for reinstatement costs	839	721	–	–
	141,920	114,365	–	–
Total trade and other payables	449,576	587,351	4,538	2,562

	Group 2023 RM'000	2022 RM'000
Trade and other payables		
- Continuing operations	449,576	587,351
- Discontinued operation (Note 14)	142,127	–
	591,703	587,351

Trade payables are unsecured, non-interest bearing and the average credit period range from 31- 60 days (2022: 31 - 60 days) according to the terms agreed with suppliers. Included in trade payables of the Group are retention sums payable amounted to RM44,446,000 (2022: RM44,022,000).

Other payables are non-trade in nature, unsecured, interest-free and repayable on demand. Included is the settlement payable amounted to RM20,000,000 to be repaid within the next 12-months.

Non-trade amounts with subsidiaries of the Company are unsecured, interest-free and repayable on demand.

Long-term other payables relate to consideration payable for various plots of land which is due in 2026. Besides that, it also included the settlement agreement in 2023, which require repayment by way of instalment which is due in 2025. The payable amounting to RM35,916,000 relate to the infrastructure construction work for the ingress and egress leading into various parcels of land.

17 Share-based payment transactions

Description of the share-based payment arrangements

The Group has the following share-based payment arrangements:

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 A/L 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

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

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.

No outstanding Performance share plan for the financial year.

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 Mainboard 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 30 June 2023, the total amount of nil (2022: nil) 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 26.

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	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Group						
Deferred tax assets/(liabilities)						
Investment in associate	–	–	–	(2,740)	–	(2,740)
Unrealised profits	4,154	5,114	–	–	4,154	5,114
Inventories	–	–	(3,256)	(3,238)	(3,256)	(3,238)
Property, plant and equipment	803	504	(99)	(50)	704	454
Tax loss carry-forwards	–	722	–	–	–	722
Development properties	1,593	2,665	(3,933)	(4,512)	(2,340)	(1,847)
Other item*	22,902	28,216	–	–	22,902	28,216
	29,452	37,221	(7,288)	(10,540)	22,164	26,681
Set off of tax	(99)	(50)	99	50	–	–
	29,353	37,171	(7,189)	(10,490)	22,164	26,681

* Included in other item is the total tax liability attributable to Aspen Vision Land Sdn. Bhd. amounting to RM22,902,000 (2022: RM28,216,000) which Inland Revenue Board Malaysia has agreed on a consolidated basis at a group level, which allowed to utilise and claim as a tax credit in Aspen Vision City's development for past, current and future projects together with unsold inventory on hand.

The movements in the deferred tax assets and liabilities during the financial year are as follows:

	At 1 January 2021 RM'000	Recognised in profit or loss RM'000 (Note 27)	At 30 June 2022 RM'000	Recognised in profit or loss RM'000 (Note 27)	At 30 June 2023 RM'000
Group					
Deferred tax assets/(liabilities)					
Investment in associate	(2,740)	–	(2,740)	2,740	–
Unrealised profits	5,450	(336)	5,114	(960)	4,154
Inventories	(3,250)	12	(3,238)	(18)	(3,256)
Property, plant and equipment	7	447	454	250	704
Tax loss carry-forwards	1,173	(451)	722	(722)	–
Development properties	(1,079)	(768)	(1,847)	(493)	(2,340)
Other items	278	27,938	28,216	(5,314)	22,902
	(161)	26,842	26,681	(4,517)	22,164

Unrecognised deferred tax asset

Deferred tax asset has not been recognised in respect of the following items:

	Group 2023 RM'000	2022 RM'000
Unabsorbed capital allowance	–	12,495
Tax losses	12,613	33,122
Other deductible temporary differences	–	5,760
	12,613	51,377

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

	Group and Company			
	2023	2022	2023	2022
	Number of ordinary shares '000		RM'000	RM'000
Issued and fully paid, with no par value				
At end of financial year/period	1,083,270	1,083,270	316,786	316,786

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.

Dividends

The Board of Directors of the Company has not proposed any dividend in respect of the financial year ended 30 June 2023.

20 Reserves

	Group		Company	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Merger reserve	37,442	37,442	–	–
Translation reserve	(125)	89	–	–
Reserve for own shares	(21)	(21)	(21)	(21)
(Accumulated losses)/Retained earnings	(163,312)	31,961	(204,996)	(99,844)
	(126,016)	69,471	(205,017)	(99,865)

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 30 June 2023, the Group held 47,800 of the Company's shares (2022: 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	
		2023 %	2022 %
AV City	Malaysia	20	20
AV Homes	Malaysia	49	49
AGSB (discontinued operation)	Malaysia	25	25

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	AGSB RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2023					
Revenue	232,975	744	179	97	233,995
(Loss)/Profit after tax	(20,313)	471	(128,275)	53	(148,064)
OCI	–	–	–	–	–
Total comprehensive (loss)/income	(20,313)	471	(128,275)	53	(148,064)
Attributable to NCI:					
(Loss)/Profit after tax	(4,063)	231	(32,069)	26	(35,875)
OCI	–	–	–	–	–
Total comprehensive (loss)/income	(4,063)	231	(32,069)	26	(35,875)
Non-current assets	251,586	10,000	127	–	261,713
Current assets	552,583	47,292	5,519	4,741	610,135
Non-current liabilities	(252,985)	–	(566)	–	(253,551)
Current liabilities	(373,049)	(4,796)	(174,779)	(24)	(552,648)
Net assets/(liabilities)	178,135	52,496	(169,699)	4,717	65,649
Net assets/(liabilities) attributable to NCI	35,627	25,723	(41,143)	2,311	22,518
Cash flows from/(used in) operating activities	111,747	(1,045)	(21,300)	(78)	89,324
Cash flows (used in)/from investing activities	(142)	939	66,576	–	67,373
Cash flows used in financing activities	(108,299)	–	(52,019)	(3)	(160,321)
Net increase/(decrease) in cash and cash equivalents	3,306	(106)	(6,743)	(81)	(3,624)

	AV City RM'000	AV Homes RM'000	AGSB RM'000	Other individually immaterial subsidiaries RM'000	Total RM'000
2022					
Revenue	286,171	939	26,955	–	314,065
Profit/(loss) after tax	30,845	706	(164,870)	(2,680)	(135,999)
OCI	–	–	–	–	–
Total comprehensive income/(loss)	30,845	706	(164,870)	(2,680)	(135,999)
Attributable to NCI:					
Profit/(loss) after tax	6,169	346	(41,218)	(1,313)	(36,016)
OCI	–	–	–	–	–
Total comprehensive income/(loss)	6,169	346	(41,218)	(1,313)	(36,016)
Non-current assets	254,835	10,000	212,644	–	477,479
Current assets	584,602	47,043	19,178	4,965	655,788
Non-current liabilities	(318,301)	–	(11,916)	–	(330,217)
Current liabilities	(322,686)	(5,018)	(261,329)	(301)	(589,334)
Net assets/(liabilities)	198,450	52,025	(41,423)	4,664	213,716
Net assets/(liabilities) attributable to NCI	39,690	25,492	(9,075)	–	56,107
Cash flows (used in)/from operating activities	(243,256)	2,448	83,405	83	(157,320)
Cash flows from/(used in) investing activities	4,876	(2,500)	(237,131)	–	(234,755)
Cash flows from/(used in) financing activities	239,202	–	141,593	(3)	380,792
Net increase/(decrease) in cash and cash equivalents	822	(52)	(12,133)	80	(11,283)

22 Revenue

		Group
	1.7.2022 to 30.6.2023 RM'000	1.1.2021 to 30.6.2022# RM'000
Continuing operations		
Revenue from contracts with customers	270,043	352,595

Comparative information has been re-presented due to a discontinued operation (Note 14).

The disaggregation of revenue from contracts with customers is as follows:

	Group					
	1.7.2022 to 30.6.2023			1.1.2021 to 30.6.2022		
	Property development RM'000	Others RM'000	Total RM'000	Property development RM'000	Others RM'000	Total RM'000
Geographical location[a]						
Malaysia	257,621	–	257,621	338,385	–	338,385
Singapore	–	12,422	12,422	–	14,210	14,210
	257,621	12,422	270,043	338,385	14,210	352,595
Timing of recognition						
Goods transferred at a point in time	110,358	12,422	122,780	147,624	14,210	161,834
Goods transferred overtime	147,263	–	147,263	190,761	–	190,761
	257,621	12,422	270,043	338,385	14,210	352,595

[a] The disaggregation is based on the location of business from which revenue was generated.

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 3.17. 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.

	1.7.2022 to 30.6.2023 RM'000	1.1.2021 to 30.6.2022 RM'000
Aggregate amount of the transaction price allocated to sale of development properties for contracts that are partially unsatisfied	413,297	550,762

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 (2022: 1 to 2 years).

23 Cost of sales

		Group
	1.7.2022 to 30.6.2023 RM'000	1.1.2021 to 30.6.2022# RM'000
Continuing operations		
Property development expenses	231,861	286,845
Cost of food and beverage	2,861	3,127
	234,722	289,972

24 Other operating expenses

		Group
	1.7.2022 to 30.6.2023 RM'000	1.1.2021 to 30.6.2022# RM'000
Continuing operations		
Fair value loss of divestment of associate	46,406	–
Impairment loss on PPE	8,024	–
Forfeiture of deposit	2,550	–
Impairment of intangible asset	1,583	–
Loss on foreign exchange (realised)	–	1,520
Others	1,134	157
	59,697	1,677

Comparative information has been re-presented due to a discontinued operation (Note 14).

25 Net finance costs

	1.7.2022 to 30.6.2023 RM'000	Group 1.1.2021 to 30.6.2022# RM'000
Continuing operations		
Finance income		
Interest income from short term investment funds	289	957
Finance costs		
Interest expenses on:		
- Lease liabilities	(693)	(1,151)
- Secured term loans and bridging loans	(25,602)	(25,178)
- Revolving credit	(757)	(1,727)
- Convertible loans	–	(1,602)
- Redeemable preference shares	(11,810)	(17,046)
	(38,862)	(46,704)
Less: Interest expense included in cost of sales and capitalised under development properties, capital expenditure in progress and right-of-use assets	25,541	44,501
Total finance costs	(13,321)	(2,203)
Net finance costs recognised in profit or loss	(13,032)	(1,246)

26 Loss before tax

The following items have been included in arriving at loss before tax for the year ended:

	1.7.2022 to 30.6.2023 RM'000	Group 1.1.2021 to 30.6.2022# RM'000
Continuing operations		
Audit fees paid to:		
- Auditors of the Company	(477)	(433)
- Other member firms of the auditors	(158)	(158)
Professional fees	(46)	(220)
Depreciation of property, plant and equipment	(12,412)	(28,786)
Amortisation of intangible asset	(261)	(348)
Impairment loss on property, plant and equipment	(8,024)	–
Written down on inventories	(14,151)	–
Impairment loss on intangible assets	(1,583)	–
(Loss)/Gain on disposal of property, plant and equipment	–	151
Property, plant and equipment written off	(85)	(938)
Government grant income	185	1,686
Fair value loss of asset held-for-sale	(46,406)	–
Loss on disposal of associate	–	(10,723)
Employee benefit expense*:		
Salaries, bonus and other costs	(11,603)	(34,086)
Contributions to defined contribution plans	(1,576)	(3,528)
	(13,179)	(37,614)

* Employee benefit expense excluding directors' remuneration.

Comparative information has been re-presented due to a discontinued operation (Note 14).

27 Tax expense

	Note	Group 1.7.2022 to 30.6.2023 RM'000	1.1.2021 to 30.6.2022# RM'000
Current tax expense			
Current tax – continuing operations		2,975	4,387
Changes in estimates related to prior years		(285)	37,545
		2,690	41,932
Deferred tax expense			
Origination and reversal of temporary differences		4,517	(26,835)
Total tax expense		7,207	15,097

Reconciliation of effective tax rate is as follows:

Loss before tax – continuing operations	(106,765)	(33,254)
Loss before tax – discontinued operation	(125,539)	(164,731)
Less: Share of result of equity-accounted investees, net of tax	901	2,106
	(231,403)	(195,879)
Income tax using Singapore tax rate of 17% (2022: 17%)	(39,339)	(33,299)
Effect of tax rates in foreign jurisdiction	(15,162)	8,579
Non-deductible expenses	61,291	30,803
Non-taxable income	(2,039)	(1,272)
Effect of deferred tax assets not recognised	288	(99)
Changes in estimates related to prior years	2,070	10,616
Other items	98	(231)
	7,207	15,097

Domestic income tax rate for Singapore incorporated company for the year ended 30 June 2023 was calculated at 17% (2022: 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% (2022: 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 RM215,839,000 (2022: RM251,215,000) of certain overseas subsidiaries for the year ended 30 June 2023 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.

Comparative information has been re-presented due to a discontinued operation (Note 14).

28 Loss per share

The basic loss per share for the financial years ended 30 June 2023 and 2022 were based on the loss attributable to ordinary shareholders and a weighted average number of ordinary shares outstanding, calculated as follows:

		Group
	1.7.2022 to 30.6.2023 RM'000	**1.1.2021 to 30.6.2022# RM'000**
Loss for the year attributable to equity holders of the Company relates to:		
- Loss from continuing operations	(99,066)	(56,367)
- Loss from discontinued operation	(96,207)	(123,778)
	(195,273)	(180,145)

		Group
	2023 '000	**2022 '000**
Weighted average number of ordinary shares		
At beginning/end of the year	1,083,270	1,083,270

Diluted loss per share are the same as basic loss per share as there were no potential dilutive ordinary shares existing during the respective years.

29 Leases

Leases as lessee

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 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.

Comparative information has been re-presented due to a discontinued operation (Note 14).

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
2023				
Balance at 1 July 2022	48,363	12,691	–	61,054
Depreciation charge	(764)	(3,466)	–	(4,230)
Additions to right-of-use assets	428	11,051	–	11,479
Disposal of right-of-use assets	(47,809)	(6,367)	–	(54,176)
Impairment losses	–	(7,312)	–	(7,312)
Effect of movement in exchange rate	–	365	–	365
Balance at 30 June 2023	218	6,962	–	7,180
2022				
Balance at 1 January 2021	47,581	19,057	408	67,046
Depreciation charge	(1,354)	(5,254)	(408)	(7,016)
Additions to right-of-use assets	2,136	2,652	–	4,788
Disposal of right-of-use assets	–	(4,212)	–	(4,212)
Effect of movement in exchange rate	–	448	–	448
Balance at 30 June 2022	48,363	12,691	–	61,054

Amounts recognised in profit or loss

	1.7.2022 to 30.6.2023 RM'000	1.1.2021 to 30.6.2022# RM'000
Continuing operation		
Interest on lease liabilities	693	1,151
Expenses relating to short-term leases	417	10
Expenses relating to leases of low-value assets, excluding short-term leases of low-value assets	–	65

Amounts recognised in consolidated statement of cash flows

	2023 RM'000	2022 RM'000
Total cash outflow for leases	8,228	31,292

Comparative information has been re-presented due to a discontinued operation (Note 14).

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 included the extension option in the lease term because it is reasonably certain to exercise the options.

30 Commitments

Capital commitments

Capital expenditure contracted for at the reporting dates but not recognised in the financial statements were as follows:

		Group
	2023	**2022**
	RM'000	**RM'000**
Construction in progress		
- Contracted for but not provided for	–	93,981

31 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	**2023 RM'000**	**2022 RM'000**	**2023 RM'000**	**2022 RM'000**
Contract assets	10	45,550	60,013	–	–
Trade and other receivables*	12	76,388	89,407	266	167
Cash and cash equivalents	13	28,988	31,807	595	416
		150,926	181,227	861	583

* Excluding prepayments.

The exposure to credit risk for trade receivables and contract assets at the reporting date by geographic region was as follows:

	Group	
	2023 RM'000	**2022 RM'000**
Domestic	99,816	122,380

There is no concentration of customers' credit risk at the Company level.

Expected credit loss assessment for 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 30 June:

	Group				
	Weighted average loss rate %	**Gross carrying amount RM'000**	**Impairment loss allowance RM'000**	**Net carrying amount RM'000**	**Credit impaired**
2023					
Current (not past due)	–	92,628	–	92,628	No
1 to 30 days past due	–	6,149	–	6,149	No
31 to 120 days past due	–	751	–	751	No
Over 120 days past due	–	288	–	288	No
		99,816	–	99,816	
2022					
Current (not past due)	–	102,511	–	102,511	No
1 to 30 days past due	–	6,144	–	6,144	No
31 to 120 days past due	–	11,148	–	11,148	No
Over 120 days past due	–	2,577	–	2,577	No
		122,380	–	122,380	

There are no impairment losses arising from these outstanding balances as the ECL is not material and no historical loss recorded for the past 3 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 30 June 2023, the Company has issued a guarantee to certain banks in respect of credit facilities granted to three subsidiaries. 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 holding company and subsidiaries

The Company held non-trade receivables from its holding company and subsidiaries of RM171,000 and RM81,523,000 (2022: RM167,000 and RM84,447,000) respectively. These balances are amounts lent to holding company and 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 associate

The Group held deposits of RM13,995,000 (2022: RM9,536,000) and advances to associates of RM7,148,983 (2022: RM6,990,000). 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 RM28,988,000 (2022: RM31,807,000) and RM595,000 (2022: RM416,000) 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 associate

In the financial year 2022, the Group held redeemable preference shares in associate 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
30 June 2023					
Trade and other payables*	449,576	(449,576)	(307,656)	(141,920)	–
Loans and borrowings	161,560	(191,716)	(74,529)	(105,673)	(11,514)
Lease liabilities	16,962	(23,044)	(4,260)	(9,407)	(9,377)
Bank overdraft	4,985	(4,985)	(4,985)	–	–
Redeemable preference shares	38,140	(43,385)	(2,098)	(41,287)	–
	671,223	(712,706)	(393,528)	(298,287)	(20,891)
30 June 2022					
Trade and other payables*	587,351	(587,351)	(472,986)	(114,365)	–
Loans and borrowings	318,973	(356,206)	(152,370)	(165,876)	(37,960)
Lease liabilities	42,716	(50,188)	(19,985)	(20,418)	(9,785)
Bank overdraft	3,875	(3,875)	(3,875)	–	–
Redeemable preference shares	38,140	(45,482)	(2,098)	(43,384)	–
	991,055	(1,043,102)	(651,314)	(344,043)	(47,745)

* 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
30 June 2023					
Trade and other payables	4,538	(4,538)	(4,538)	–	–
Loans and borrowings	2,696	(2,730)	(2,730)	–	–
Recognised financial liabilities	7,234	(7,268)	(7,268)	–	–
Intra-group financial guarantee	–	(208,723)	(208,723)	–	–
	7,234	(215,991)	(215,991)	–	–
30 June 2022					
Trade and other payables	2,562	(2,562)	(2,562)	–	–
Loans and borrowings	4,732	(4,787)	(4,787)	–	–
Recognised financial liabilities	7,294	(7,349)	(7,349)	–	–
Intra-group financial guarantee	–	(307,233)	(307,233)	–	–
	7,294	(314,582)	(314,582)	–	–

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

Foreign currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group has 2 subsidiaries abroad in Singapore. The Group does not face significant exposure from currency risk as these subsidiaries operate independently. Hence, transactions involving foreign currency are minimal and risks are limited to the translation of foreign currency functional financial statement to that of the presentation currency.

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 Nominal amount		Company Nominal amount	
	2023 RM'000	2022 RM'000	2023 RM'000	2022 RM'000
Fixed rate instruments				
Financial assets	3,521	78,744	–	–
Financial liabilities	(77,201)	(92,857)	(2,696)	(4,732)
	(73,680)	(14,113)	(2,696)	(4,732)
Variable rate instruments				
Financial assets	65	65	65	65
Financial liabilities	(161,560)	(306,972)	–	–
	(161,495)	(306,907)	65	65

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 100 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	
	100 bp Increase RM'000	100 bp Decrease RM'000
2023		
Variable rate instruments	(1,615)	1,615
2022		
Variable rate instruments	(3,069)	3,069

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								
30 June 2023								
Financial assets not measured at fair value								
Trade and other receivables*								
- Continuing operations	12	75,273	–	75,273				
- Discontinued operation		2,830	–	2,830				
Deposit	12	1,115	–	1,115	–	946	–	946
Cash and cash equivalents								
- Continuing operations	13	28,988	–	28,988				
- Discontinued operation		2,405	–	2,405				
		110,611	–	110,611				
Financial liabilities not measured at fair value								
Trade and other payables								
- Continuing operations	16	–	(449,576)	(449,576)				
- Discontinued operation		–	(142,127)	(142,127)				
Loans and borrowings								
- Term loans and bridging loans	15	–	(149,560)	(149,560)	–	(179,716)	–	(179,716)
- Revolving credit	15	–	(12,000)	(12,000)	–	(12,000)	–	(12,000)
- Redeemable preference shares	15	–	(38,140)	(38,140)	–	–	(44,446)	(44,446)
- Bank overdraft	15	–	(4,985)	(4,985)	–	–	(4,985)	(4,985)
		–	(796,388)	(796,388)				

	Note	Carrying amount			Fair value			
		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
<u>Group</u>								
<u>30 June 2022</u>								
Financial assets not measured at fair value								
Redeemable preference shares – associates	7	22,485	–	22,485	–	–	25,430	25,430
Trade and other receivables*	12	88,471	–	88,471				
Deposit	12	936	–	936	–	856	–	856
Cash and cash equivalents	13	31,807	–	31,807				
		143,699	–	143,699				
Financial liabilities not measured at fair value								
Trade and other payables	16	–	(587,351)	(587,351)				
Loans and borrowings								
- Term loans and bridging loans	15	–	(306,973)	(306,973)	–	(330,649)	–	(330,649)
- Revolving credit	15	–	(12,000)	(12,000)	–	(12,000)	–	(12,000)
- Redeemable preference shares	15	–	(38,140)	(38,140)	–	–	(42,685)	(42,685)
- Bank overdraft	15	–	(3,875)	(3,875)	–	–	(3,875)	(3,875)
		–	(948,339)	(948,339)				

* Excluding prepayments.

		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
<u>Company</u>								
<u>30 June 2023</u>								
Financial assets not measured at fair value								
Trade and other receivables*	12	266	–	266				
Cash and cash equivalents	13	595	–	595				
		861	–	861				
Financial liabilities not measured at fair value								
Trade and other payables	16	–	(4,538)	(4,538)				
Term loan	15	–	(2,696)	(2,696)	–	(2,696)	–	(2,696)
		–	(7,234)	(7,234)				
<u>30 June 2022</u>								
Financial assets not measured at fair value								
Trade and other receivables*	12	167	–	167				
Cash and cash equivalents	13	416	–	416				
		583	–	583				
Financial liabilities not measured at fair value								
Trade and other payables	16	–	(2,562)	(2,562)				
Term loan	15	–	(4,732)	(4,732)	–	(4,732)	–	(4,732)
		–	(7,294)	(7,294)				

* 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: NA (2022: 4.46%)	The estimated fair value would increase/(decrease) if discount rate was lower/(higher).
Deposits	Discounted cash flows	Discount rate: 1.75% - 4.61% (2022: 0.53%)	The estimated fair value would increase/(decrease) if discount rate was lower/(higher).
Other financial liabilities*	Discounted cash flows	Discount rate: 1.75% - 8.65% (2022: 1.84% - 7.39%)	The estimated fair value would increase/(decrease) if discount rate was lower/(higher).

* Other financial liabilities include loans and borrowings.

32 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 30 June 2023.

33 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 2023 RM'000	Group 2022 RM'000
Directors' fee	352	630
Short-term employee benefits	7,929	13,813
Post-employment benefits (including contributions to defined contribution plans)	832	1,460
Benefits-in-kind	42	236
	9,155	16,139

Key management personnel transactions comprised:

	2023 RM'000	2022 RM'000
Progress billings		
Key management personnel	72	281
Companies in which directors and key management personnel have substantial interests	1,468	236
	1,540	517
Loans and borrowings		
Companies in which directors and key management personnel have substantial interests	2,696	4,732

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
Healthcare	Manufacturing of gloves (Discontinued operation)
Others	Includes sales of food and beverages and investment holdings

	Property development RM'000	Others RM'000	Total for continuing operations RM'000	Elimination RM'000	Total RM'000	Healthcare (Discontinued) RM'000	Consolidation RM'000
2023							
External revenue	257,621	12,422	270,043	–	270,043	179	270,222
Inter-segment revenue	2,940	26,913	29,853	(29,853)	–	–	–
Interest income	272	17	289	–	289	42	331
Interest expenses	(20,575)	(7,293)	(27,868)	14,547	(13,321)	(5,934)	(19,255)
Depreciation and amortisation	(4,153)	(8,822)	(12,975)	302	(12,673)	(4,839)	(17,512)
Impairment of property, plant and equipment	–	(8,130)	(8,130)	–	(8,130)	106	(8,024)
Segment (loss)/profit before tax	(21,717)	(148,447)	(170,164)	74,048	(96,116)	(125,539)	(221,655)
Share of profit of equity-accounted investees	–	(17,100)	(17,100)	–	(17,100)	–	(17,100)
Reportable segment assets	1,166,849	1,142,583	2,309,432	(1,233,571)	1,075,861	5,637	1,081,498
Equity-accounted investees	–	1	1	(1)	–	–	–
Capital expenditure	456	12,004	12,460	20	12,480	428	12,908
Reportable segment liabilities	959,730	529,016	1,488,746	(764,173)	724,573	143,637	868,210

	Property development RM'000	Others RM'000	Total for continuing operations RM'000	Elimination RM'000	Total RM'000	Healthcare (Discontinued) RM'000	Consolidation RM'000
2022							
External revenue	338,385	14,210	352,595	–	352,595	26,955	379,550
Inter-segment revenue	1,755	56,136	57,891	(57,891)	–	–	–
Interest income	881	76	957	–	957	43	1,000
Interest expenses	(4,142)	(9,356)	(13,498)	11,295	(2,203)	(7,306)	(9,509)
Depreciation and amortisation	(6,640)	(14,942)	(21,582)	456	(21,126)	(8,008)	(29,134)
Impairment of property, plant and equipment	–	–	–	–	–	(98,417)	(98,417)
Segment profit before tax	(8,964)	(14,536)	(23,500)	(9,754)	(33,254)	(164,731)	(197,985)
Share of profit of equity-accounted investees	–	(2,106)	(2,106)	–	(2,106)	–	(2,106)
Reportable segment assets	1,256,611	1,432,985	2,689,596	(1,412,029)	1,277,567	231,822	1,509,389
Equity-accounted investees	–	96,357	96,357	–	96,357	–	96,357
Capital expenditure	875	4,711	5,586	(92)	5,494	240,272	245,766
Reportable segment liabilities	1,009,540	488,484	1,498,024	(704,244)	793,780	273,245	1,067,025

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.

Statistics of Shareholdings

As At 18 September 2023

Share Capital
AS AT 18 SEPTEMBER 2023

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 18 SEPTEMBER 2023

SIZE OF HOLDINGS	NO. OF SHAREHOLDERS	%	NO. OF SHARES	%
1 - 99	638	11.37	20,926	0.00
100 - 1,000	2,181	38.86	970,368	0.09
1,001 - 10,000	1,417	25.25	5,576,156	0.51
10,001 - 1,000,000	1,336	23.81	123,564,625	11.41
1,000,001 and above	40	0.71	953,137,519	87.99
TOTAL	**5,612**	**100.00**	**1,083,269,594**	**100.00**

Twenty Largest Shareholders
AS AT 18 SEPTEMBER 2023

NO.	SHAREHOLDER'S NAME	NUMBER OF SHARES HELD	%
1	PHILLIP SECURITIES PTE. LTD.	374,220,518	34.55
2	KENANGA NOMINEES (TEMPATAN) SDN. BHD.	156,114,676	14.41
3	CITIBANK NOMINEES SINGAPORE PTE. LTD.	130,708,613	12.07
4	CGS-CIMB SECURITIES (SINGAPORE) PTE. LTD.	71,659,933	6.62
5	HSBC (SINGAPORE) NOMINEES PTE. LTD.	38,029,796	3.51
6	RAFFLES NOMINEES (PTE) LIMITED	32,610,828	3.01
7	DB NOMINEES (SINGAPORE) PTE. LTD.	22,999,145	2.12
8	KGI SECURITIES (SINGAPORE) PTE. LTD.	21,768,960	2.01
9	DBS NOMINEES PTE. LTD.	18,928,507	1.75
10	MAYBANK SECURITIES PTE. LTD.	16,567,678	1.53
11	UOB KAY HIAN PTE. LTD.	8,743,702	0.81
12	OCBC SECURITIES PRIVATE LTD.	6,263,797	0.58
13	IFAST FINANCIAL PTE. LTD.	4,516,322	0.42
14	CHEAH TEIK SENG	4,480,252	0.41
15	LEONG CHOON MENG	4,000,000	0.37
16	TIGER BROKERS (SINGAPORE) PTE. LTD.	3,140,816	0.29

17	YEE WEI MENG	3,118,000	0.29
18	TEE WEE SIEN (ZHENG WEIXIAN)	3,094,822	0.29
19	CHING CHIAT KWONG	2,951,928	0.27
20	DBSN SERVICES PTE. LTD.	2,323,849	0.21
	TOTAL	926,242,142	85.52

Note: Percentage computed is based on 1,083,269,594 shares (excluding shares held as treasury shares) as at 18 September 2023. Treasury shares as at 18 September 2023 are 47,800 shares

Substantial Shareholders

Substantial Shareholders of the Company (as recorded in the Register of Substantial Shareholders) as at 18 September 2023

	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]	63,220,276	5.84	4,000,000	0.37	67,220,276	6.21
Oh Kim Sun[3]	41,340,000	3.82	67,220,276	6.21	108,560,276	10.03

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. The issued share capital of Ideal Force Sdn. Bhd. is wholly owned by Mr. Oh Kim Sun and his associates.

(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. – 63,220,276 ordinary shares (5.84%); 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.

Public Float

Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited 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 18 September 2023, approximately 42.82% 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 held at Orange Grove Room, Level 5, RELC International Hotel, 30 Orange Grove, Singapore 258352 on Tuesday, 31 October 2023 at 2:30 p.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 30 June 2023, the Directors' Statement and the Report of the Auditors thereon.	Resolution 1
2.	To approve the payment of Directors' fees of RM352,054.79 for the financial year ended 30 June 2023.	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' Seri Nazir Ariff Bin Mushir Ariff, 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 Cheah Teik Seng, 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 Mazars LLP as Auditors of the Company for the financial year ending 30 June 2024 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 1967 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, PROVIDED ALWAYS 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 fifty per cent (50%) 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,

and 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, 1967 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 1967 of Singapore, approval be and is hereby 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. **Authority to Allot and Issue Shares under the AV Performance Share Plan** — Resolution 9

THAT pursuant to Section 161 of the Companies Act 1967 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 4 provided]

10. **Proposed Renewal of the Share Buy-Back Mandate** — Resolution 10

THAT:

(a) for the purposes of the Listing Manual of the SGX-ST and the Companies Act 1967 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 1967 of Singapore, and otherwise in accordance with all other laws and regulations, including but not limited to, the provisions of the Companies Act 1967 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 (excluding 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, 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 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 the purchase or acquisition of Shares from Shareholders, stating 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(s) 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 5 provided]

11. **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
16 October 2023

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' Seri Nazir Ariff Bin Mushir Ariff (Executive Deputy Chairman) is considered non-independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

   Mr Cheah Teik Seng (Chairman and Independent Non-Executive Director) will, upon re-election as Director of the Company, continue to serve as the Chairman of the Audit Committee and Remuneration Committee as well as a member of the Nominating Committee. He is considered independent for the purposes of Rule 704(8) of the Listing Manual of the SGX-ST.

   Detailed information on Dato' Murly Manokharan, Dato' Seri Nazir Ariff Bin Mushir Ariff and Mr Cheah Teik Seng can be found under 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 2023.

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 50% 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.

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 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.

5. Ordinary Resolution 10, 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 Buy-Back 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 2023.

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.

IMPORTANT NOTES:

Physical Meeting

1. The AGM of the Company will be held physically with **no option for members to participate virtually**. Printed copies of the Annual Report 2023 will not be sent to members. Instead, the Annual Report 2023 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. Printed copies of this Notice of AGM, the Proxy Form, Questions Form and Request Form will be sent to members by post. The Proxy Form, Questions Form and Request Form may be downloaded from the Company's website at the URL https://aspen.listedcompany.com/newsroom.html or, the SGXNet. For Shareholders who prefer to receive a printed copy of the Annual Report 2023, please refer to the Request Form on how to make a request.

3. Members (including investors under the Central Provident Fund and the Supplementary Retirement Scheme ("**CPF and SRS Investors**")) may participate in the AGM by:

   (a) attending the AGM in person;

   (b) raising questions at the AGM or submitting questions in advance of the AGM; and/or

   (c) voting at the AGM

      (i) themselves personally; or

      (ii) through their duly appointed proxy(ies)

4. Investors who hold shares through relevant intermediaries as defined in Section 181 of the Companies Act, including CPF and SRS Investors, who wish to participate in the AGM should approach their respective agents at least (7) seven working days before the AGM, so that the necessary arrangements can be made by the relevant agents for their participating in the AGM.

Voting

1. A member of the Company who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her behalf at the meeting. Where such member appoints more than one (1) proxy, the proportion of his/her shareholding concerned to be represented by each proxy shall be specified in the form of proxy. A proxy need not be a Member of the Company.

2. A member of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote on his/her behalf at the Meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant Intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

3. A member can appoint the Chairman of the Meeting as his/her/its proxy but this is not mandatory.

4. If a member wishes to appoint the Chairman of the Meeting as proxy, such member (whether individual or corporate) must give specific instructions as to voting for, voting against, or abstentions from voting on, each resolution in the instrument appointing the Chairman of the Meeting as proxy. If no specific direction as to voting or abstentions from voting in respect of a resolution in the form of proxy, the appointment of the Chairman of the AGM as proxy for that resolution will be treated as invalid.

5. The instrument appointing a proxy or proxies, duly completed and signed, must be submitted to the Company in the following manner:

   (a) if submitted via post, be lodged at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, 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 AGM.

   A member who wishes to submit a proxy form must 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.

6. Investors who hold shares through relevant intermediaries as defined in Section 18 of the Companies Act, including CPF and SRS investors, who wish to appoint a proxy or proxies (including the Chairman), should approach their respective agents to submit their votes at least seven (7) working days before the AGM in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to vote on their behalf by 2:30 p.m. on 28 October 2023.

7. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

8. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act 1967.

9. A depository's name must appear on the Depository Register maintained by The Central Depository (Pte) Limited as at 72 hours before the time fixed for holding the annual general meeting in order for the Depositor to be entitled to attend and vote at the annual general meeting.

Submission of Questions in Advance

1. Members may also submit questions relating to the resolutions to be tabled for approval at the AGM in advance of the AGM in the following manner by 2:30 p.m. on 23 October 2023:

   (a) via email to agm@aspen.com.my; and/or

   (b) by post to the Company's Share Registrar, Tricor Barbinder Share Registration Services, at 80 Robinson Road, #11-02, Singapore 068898; or

2. For verification purpose, when submitting any questions via email or by post, 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).

3. The Board and Management will endeavour to address the substantial and relevant questions from members at least 48 hours prior to the closing date and time of the lodgement of the proxy forms by uploading the responses to questions from members on the SGXNet. After the cut-off time for the submission of questions, if there are substantial and relevant questions received, the Board may address them at the AGM. Minutes of the AGM will be published on the SGXNet within one (1) month after the date of the AGM.

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. Cheah Teik Seng is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be held on 31 October 2023 ("**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 June 2020
Age	70
Country of principal residence	Singapore
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") and has reviewed and considered the qualification, work experience and suitability of Mr Cheah Teik Seng for re-election as the Chairman and Independent Non-Executive Director of the Company. The Board have reviewed and concluded that Mr Cheah Teik Seng 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.)	• Chairman and Independent Non-Executive Director • Chairman of Audit Committee • Chairman of Remuneration Committee • Member of Nominating Committee
Professional qualifications	• Bachelor of Science (Honours), University of Manchester, UK • Fellow of the Institute of Chartered Accountants in England and Wales

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	**March 2007 to April 2019:** Lima Capital Asia Pte Ltd (fka Aktis Capital Singapore Pte Ltd) - Chief Executive Officer/ Director
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Lisitng Rule 704(7))	Yes
Shareholding interest in the listed issuer and its subsidiaries	Direct Interest - 4,480,252 ordinary shares
Other Principal Commitments Including Directorships Past (for the last 5 years) Present	**Past** None **Present** Pan Asia Mortgage Co., Ltd. SLEEP International Limited Aktis Special Situations Management Limited Aktis Financial Holdings SPC Limited Good Partner Limited China Light Point Logistics Ltd. Stronghouse Financial Holdings Ltd.

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
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

Disclosure applicable to the appointment of Director only	
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' Murly Manokharan is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be held on 31 October 2023 ("**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	26 April 2021
Age	37
Country of principal residence	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") 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 • Member of Nominating Committee
Professional qualifications	Executive Diploma in Project Management, Malaysia University of Technology

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 (45.75%); and (b) Intisari Utama Sdn. Bhd. – 10,275,806 (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 and Group Chief Executive Officer **January 2013 to July 2017:** Aspen Vision Development Sdn. Bhd. - Executive Director and Chief Executive Officer **February 2012 to January 2013:** Ivory Properties Group Bhd - Executive Director and Group Chief Operating Officer
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Lisitng Rule 704(7))	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** Endless Profit Sdn. Bhd. Ivory Place Sdn. Bhd. Tropicana Ivory Sdn. Bhd. Triple Three Properties Sdn. Bhd. Greenchem Sdn. Bhd. MK Jasa Sdn. Bhd. Bandar Cassia Properties (SC) Sdn. Bhd. Upper House Hotel Sdn. Bhd. Global Vision Logistics Sdn. Bhd. **Present** Aspen Vision Development (Central) Sdn. Bhd. Aspen Vision Synergy Sdn. Bhd. Aspen Vision City Sdn. Bhd. Aspen Vision Credit Sdn. Bhd. Aspen Vision All Sdn. Bhd. Aspen Vision Realty Sdn. Bhd. Aspen Vision Properties Sdn. Bhd. Aspen Vision Tanjung Sdn. Bhd. Aspen Vision Builders Sdn. Bhd. Aspen Vision Ventures Sdn. Bhd. Aspen Vision Land Sdn. Bhd. Aspen Vision Development Sdn. Bhd. Aspen Vision Construction Sdn. Bhd. Aspen Vision Homes Sdn. Bhd. Aspen Vision Group Sdn. Bhd. Aspen Park Hills Sdn. Bhd. AG Innovation Sdn. Bhd. AG Medical Tech Sdn. Bhd. Aspen Glove Sdn. Bhd. Insiders Group Sdn. Bhd. Intisari Utama Sdn. Bhd. Inti Sejati Sdn. Bhd. Kanada-Ya SG Pte. Ltd. Kanada-Ya Restaurants Pte. Ltd. KHTP Assets Sdn. Bhd. Summer Empire Pte. Ltd. Viana Mentari Sdn. Bhd.

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.		
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?	On 26 August 2022, the SGX-ST Listings Disciplinary Committee reprimanded Dato' Murly Manokharan under Mainboard Rule 1402, for causing the Company to breach Mainboard Rules 703 and 719(1).

Disclosure applicable to the appointment of Director only	
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' Seri Nazir Ariff Bin Mushir Ariff is the Director seeking re-election at the forthcoming Annual General Meeting of the Company to be held on 31 October 2023 ("**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	30 May 2017
Date of last re-appointment	25 June 2020
Age	77
Country of principal residence	Malaysia
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board of Directors of the Company has considered, among others, the recommendation of the Nominating Committee ("**NC**") and has reviewed and considered the qualification, work experience and suitability of Dato' Seri Nazir Ariff Bin Mushir Ariff for re-election as the Executive Deputy Chairman of the Company. The Board have reviewed and concluded that Dato' Seri Nazir Ariff Bin Mushir Ariff possesses 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' Seri Nazir Ariff Bin Mushir Ariff is responsible to oversee the corporate development of the Company
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Executive Deputy Chairman
Professional qualifications	• 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

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	**March 2010 to February 2013:** Ivory Properties Group Berhad – Executive Director/Deputy Chairman **February 2013 to Present:** Aspen (Group) Holdings Limited – Executive Deputy Chairman
Undertaking submitted to the listed issuer in the form of Appendix 7.7 (Lisitng Rule 704(7))	Yes
Shareholding interest in the listed issuer and its subsidiaries	Nil
Other Principal Commitments Including Directorships Past (for the last 5 years) Present	**Past** Escoy Holdings Berhad Small Medium Enterpirse Development Bank Malaysia Berhad Texchem Resources Bhd **Present** Aspen Vision Development (Central) Sdn. Bhd. Aspen Vision Synergy Sdn. Bhd. Aspen Vision City Sdn. Bhd. Aspen Vision All Sdn. Bhd. Aspen Vision Realty Sdn. Bhd. Aspen Vision Properties Sdn. Bhd. Aspen Vision Tanjung Sdn. Bhd. Aspen Vision Builders Sdn. Bhd. Aspen Vision Ventures Sdn. Bhd. Aspen Vision Land Sdn. Bhd.

		Aspen Vision Development Sdn. Bhd. Aspen Vision Construction Sdn. Bhd. AG Innovation Sdn. Bhd. Aspen Vision Homes Sdn. Bhd. Aspen Vision Group Sdn. Bhd. Greenpen Freight Services Sdn. Bhd. Aspen Vision Credit Sdn. Bhd. Viana Mentari Sdn. Bhd. Aspen Park Hills Sdn. Bhd. Wawasan Education Foundation Aspen Glove Sdn. Bhd.

Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.

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	No

	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?	On 26 August 2022, the SGX-ST Listings Disciplinary Committee reprimanded Dato' Seri Nazir Ariff Bin Mushir Ariff under Mainboard Rule 1402, for causing the Company to breach Mainboard Rules 703 and 719(1).

Disclosure applicable to the appointment of Director only	
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 30 June 2023

DATED 16 OCTOBER 2023

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 Tuesday, 31 October 2023 at 2:30 p.m. (Singapore time) at Orange Grove Room, Level 5, RELC International Hotel, 30 Orange Grove, Singapore 258352.

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 30 June 2023 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

In this Appendix, the following definitions shall apply throughout unless the context otherwise requires or otherwise stated:

"2022 AGM" : The annual general meeting of the Company held on 31 October 2022

"2023 AGM" : The annual general meeting of the Company to be held on 31 October 2023

"ACRA" : Accounting and Corporate Regulatory Authority

"Act" or "Companies Act" : Companies Act 1967 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 30 June (as the case may be)
"Group"	:	The Company and its subsidiaries
"Latest Practicable Date"	:	4 October 2023, 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 2001 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 (as defined below)
"Share Buy-Back Mandate"	:	The general and unconditional mandate given by the Shareholders on 31 October 2022 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
"Take-over 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:		Registered Office:
Mr. Cheah Teik Seng	Chairman and Independent Non-Executive Director	80 Robinson Road #02-00 Singapore 068898
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	
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	

16 October 2023

To: The Shareholders of Aspen (Group) Holdings Limited

Dear Shareholders,

1. INTRODUCTION

The Company will be holding its 2023 AGM on 31 October 2023, 2:30 p.m. (Singapore time), at Orange Grove Room, Level 5, RELC International Hotel, 30 Orange Grove, Singapore 258352.

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 2023 AGM. The Notice of AGM is set out on pages 240 to 248 of the Annual Report for FY2023.

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 subsequently renewed at the 2022 AGM. As the Share Buy-Back Mandate will expire on the date of the forthcoming 2023 AGM, the Directors propose that the Share Buy-Back Mandate be renewed at the 2023 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 2023 AGM, the authority conferred by the Share Buy -Back Mandate will take effect from the date of the 2023 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 2023 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 2023 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 2023 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 purchase or acquire the same percentage of their Shares;

(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 Take-over 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 (excluding 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, excluding 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 same as the total value of the Treasury Shares before the subdivision or consolidation, as the case may be.

(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 TAKE-OVER CODE

An increase of a Shareholder's proportionate interest in the voting rights of the Company resulting from a Share Buy-Back by the Company will be treated as an acquisition for the purposes of Rule 14 of the Singapore Code of Take-overs 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 take-over 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 take-over 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 take-over 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 take-over 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 Buy-Back Mandate

6.4 Application of the Singapore Code on Take-overs 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 Buy-Back 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 Buy-Back 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 Buy-Back 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 Buy-Back Mandate contains advice to the effect that by voting for the Share Buy-Back 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 Buy-Back to be disclosed in the same circular;

(b) the resolution to authorise the Share Buy-Back 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 Buy-Back;

(c) the Concert Parties to abstain from voting for and/or recommending Shareholders to vote in favour of the resolution to authorise the Share Buy-Back Mandate;

(d) within seven (7) days after the passing of the resolution to authorise a Share Buy-Back, 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 buy-back 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 Buy-Back Mandate, they are waiving their rights to a take-over offer by the Concert Parties in the circumstances set out above. Such a take-over 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 Buy-Back 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 Buy-Back Mandate. Accordingly, the ordinary resolution relating to the Share Buy-Back 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 Buy-Back 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 Buy-Back 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$0.0258 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 RM9.64 million based on an exchange rate of RM3.4487: 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$0.0295 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 RM11.02 million based on an exchange rate of RM3.4487: 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 30 June 2023 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 30 June 2023 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 30 June 2023 ("**FY2023**") are set out below.

Based on the audited financial statements of the Group and the Company for FY2023, 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 30 JUNE 2023)

(RM'000)	Group: Before Share Buy-Back	Group: After Market	Group: After Off-Market	Company: Before Share Buy-Back	Company: After Market	Company: 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	–	–	–
Accumulated Losses	(163,312)	(163,312)	(163,312)	(204,996)	(204,996)	(204,996)
Translation Reserve	(125)	(125)	(125)	–	–	–
Treasury Shares	(21)	(9,660)	(11,041)	(21)	(9,660)	(11,041)
Total Shareholders' Equity	190,770	181,131	179,750	111,769	102,130	100,749
NTA	190,770	181,131	179,750	111,769	102,130	100,749
Current Assets	558,040	548,401	552,530	861	266	266
Current Liabilities	565,551	565,551	571,061	7,234	16,278	17,659
Working Capital	(7,511)	(17,150)	(18,531)	(6,373)	(16,012)	(17,393)
Total Borrowings	221,647	221,647	227,157	2,696	2,696	8,206
Cash and cash equivalents	28,988	19,349	23,478	595	–	–
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)	1,083,270	974,943	974,943	1,083,270	974,943	974,943
Profit for the period attributable to shareholders	(196,540)	(196,540)	(196,540)	(105,152)	(105,152)	(105,152)
Financial Ratios						
NTA per share (RM cents) [2]	17.61	18.58	18.44	10.32	10.48	10.33
Gearing (times) [3]	1.16	1.22	1.26	0.02	0.03	0.08
Current Ratio (times)	0.99	0.97	0.97	0.12	0.02	0.02
Basic EPS (RM cents) [4]	(18.14)	(20.16)	(20.16)	(9.71)	(10.79)	(10.79)

SCENARIO B
(AS AT 30 JUNE 2023)

	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	307,147	305,766	316,786	307,147	305,766
Reserves	37,442	37,442	37,442	–	–	–
Accumulated Losses	(163,312)	(163,312)	(163,312)	(204,996)	(204,996)	(204,996)
Translation Reserve	(125)	(125)	(125)	–	–	–
Treasury Shares	(21)	(21)	(21)	(21)	(21)	(21)
Total Shareholders' Equity	190,770	181,131	179,750	111,769	102,130	100,749
NTA	190,770	181,131	179,750	111,769	102,130	100,749
Current Assets	558,040	548,401	552,530	861	266	266
Current Liabilities	565,551	565,551	571,061	7,234	16,278	17,659
Working Capital	(7,511)	(17,150)	(18,531)	(6,373)	(16,012)	(17,393)
Total Borrowings	221,647	221,647	227,157	2,696	2,696	8,206
Cash and cash equivalents	28,988	19,349	23,478	595	–	–
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)	1,083,270	974,943	974,943	1,083,270	974,943	974,943
Profit for the period attributable to shareholders	(196,540)	(196,540)	(196,540)	(105,152)	(105,152)	(105,152)
Financial Ratios						
NTA per share (RM cents) [2]	17.61	18.58	18.44	10.32	10.48	10.33
Gearing (times) [3]	1.16	1.22	1.26	0.02	0.03	0.08
Current Ratio (times)	0.99	0.97	0.97	0.12	0.02	0.02
Basic EPS (RM cents) [4]	(18.14)	(20.16)	(20.16)	(9.71)	(10.79)	(10.79)

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 FY2023.

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 FY2023 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 buy-back 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 buy-back of Shares pursuant to the proposed Share Buy-Back 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 Buy-Back Mandate during the period commencing one (1) month immediately preceding the announcement of the Company's financial statements of its half year and 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, 463,870,446 Shares representing 42.82% 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 36.47%. 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 buy-backs of the Shares up to the full ten per cent (10%) limit pursuant to the proposed Share Buy-Back 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
Substantial Shareholders (other than Directors)				
Aspen Vision Group Sdn. Bhd.	495,602,146	45.75	495,602,146	50.83
Ideal Force Sdn. Bhd.	67,220,276	6.21	67,220,276	6.89
Mr. Oh Kim Sun	108,560,276	10.03	108,560,276	11.14

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 Take-over Code. Further details on conditions for exemption from having to make a mandatory take-over offer under Rule 14 of the Take-over 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 Take-over 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 Take-over 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 Dato' 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 2023 AGM.

15. ANNUAL GENERAL MEETING

The 2023 AGM will be held at 2:30 p.m. on 31 October 2023 at Orange Grove Room, Level 5, RELC International Hotel, 30 Orange Grove, Singapore 258352 for the purpose of considering and, if thought fit, passing with or without modifications, the ordinary resolution relating to the proposed renewal of the Share Buy-Back Mandate as set out in the Notice of AGM.

16. ACTION TO BE TAKEN BY SHAREHOLDERS

Shareholders who are unable to attend the 2023 AGM and wish to appoint a proxy to attend and vote at the 2023 AGM on their behalf are requested to complete, sign and submit the Proxy Form to the Company in the following manner:-

(a) if submitted via post, be lodged at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, 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, <u>not less than 72 hours</u> before the time appointed for the 2023 AGM.

The submission of the Proxy Form by a Shareholder does not preclude him/her from attending and voting in person at the 2023 AGM should he/she subsequently decide to do so, although the appointment of the proxy shall be deemed to be revoked by such attendance.

A Depositor shall not be regarded as a Shareholder of the Company and not be entitled to attend the 2023 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 2023 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.

17. 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.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the registered office of the Company at Tricor Singapore Pte. Ltd., 80 Robinson Road, #02-00, Singapore 068898, during normal business hours from the date of this Appendix up to the date of the 2023 AGM:

(a) the Constitution of the Company; and
(b) the audited consolidated financial statements of the Company for FY2023.

The Annual Report for FY2023 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 Office

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

Proxy Form

IMPORTANT

1. The Annual General Meeting (the "**AGM**" or the "**Meeting**") of the Company will be held physically with **no option for members to participate virtually**. Printed copies of this Proxy Form and accompanying Notice of AGM, Questions Form and Request Form will be sent to members by post.
2. This proxy form is not valid for use by investors holdings shares in the Company through relevant intermediaries (as defined in Section 181 of the Companies Act 1967) ("**Investor**") (including investors, holding through the CPF and SRS Investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. By submitting this Proxy Form, the member accepts and agrees to the personal data privacy terms set out in the Notice of AGM dated 16 October 2023.
4. Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).

*I/We, ____________________ (**Name**) of NRIC/Passport/Company Registration No, ____________________ of

____ (**Address**)

being a *member/members of **Aspen (Group) Holdings Limited** (the "**Company**"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholding(s)	
		No. of Shares	%
Address and Email Address			

and/or (delete where appropriate)

Name	NRIC/Passport No.	Proportion of Shareholding(s)	
		No. of Shares	%
Address and Email Address			

as *my/our *proxy/proxies, or failing him/them, the Chairman of the AGM of the Company, to attend, speak and vote for *me/us on *my/our behalf at the AGM of the Company to be held at **Orange Grove Room, Level 5, RELC International Hotel, 30 Orange Grove, Singapore 258352** on **Tuesday, 31 October 2023 at 2:30 p.m. (Singapore time)** and at any adjournment thereof. *I/We direct *my/our *proxy/proxies to vote for, against and/or to abstain from voting on the Ordinary Resolutions to be proposed at the AGM in the spaces provided hereunder. If no specific direction as to voting is given, the proxy/proxies 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 30 June 2023, the Directors' Statement and the Report of the Auditors thereon.			
2.	Approval of the payment of Directors' fees of RM352,054.79 for the financial year ended 30 June 2023.			
3.	Re-election of Dato' Murly Manokharan as Director.			
4.	Re-election of Dato' Seri Nazir Ariff Bin Mushir Ariff as Director.			
5.	Re-election of Mr Cheah Teik Seng as Director.			
6.	Re-appointment of Messrs Mazars 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.	Authority to allot and issue shares under the AV Performance Share Plan.			
10.	Proposed Renewal of the Share Buy-Back Mandate.			

* *Delete as appropriate.*
** *(Voting will be conducted by poll manually. 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 ____________________ 2023

____
Signature(s) of Member(s)/Common Seal of Corporate Member

IMPORTANT: Please read notes overleaf

Glue all sides firmly. Stapling and spot sealing are disallowed

Glue all sides firmly. Stapling and spot sealing are disallowed

Glue all sides firmly. Stapling and spot sealing are disallowed

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 2001 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. A member of the Company who is not a relevant intermediary is entitled to appoint not more than two (2) proxies to attend, speak and vote on his/her behalf at the Meeting. Where such member appoints more than one (1) proxy, the proportion of his shareholding concerned to be represented by each proxy shall be specified in the form of proxy. A proxy need not be a Member of the Company.

3. A member of the Company who is a relevant intermediary is entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member appoints more than two (2) proxies, the number of shares in relation to which each proxy has been appointed shall be specified in the form of proxy.

   "**Relevant Intermediary**" has the meaning ascribed to it in Section 181 of the Companies Act 1967 of Singapore.

4. The instrument appointing a proxy or proxies, duly completed and signed, must be submitted to the Company in the following manner:

   (a) If submitted via post, be lodged at the office of the Company's Share Registrar, Tricor Barbinder Share Registration Services, 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 AGM.

   A member who wishes to submit a proxy form must 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.

5. The instrument appointing a proxy or proxies must be under the hand of the appointor or by his/her attorney duly authorised in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its common seal or under the hand of its attorney or a duly authorised officer.

6. Where an instrument appointing a proxy or proxies is signed and authorised on behalf of the appointor by an attorney, the letter of power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the instrument of proxy, failing which the instrument may be treated as invalid.

7. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the AGM in accordance with Section 179 of the Companies Act 1967.

8. The submission of an instrument or form appointing a proxy by a shareholder does not preclude him from attending and voting in person at the AGM if he so wishes, in which case the appointment of the proxy will be deemed revoked and the Company reserves the right to refuse to admit any person appointed under the relevant instrument appointing the proxy to the AGM.

9. The Company shall be entitled to reject an instrument appointing a proxy or proxies which 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 a proxy or proxies. In addition, in the case of a member whose shares are entered against his name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the AGM, as certified by The Central Depository (Pte) Ltd to the Company.

10. CPF Investors and SRS Investors may attend and cast their votes at the AGM in person. CPF Investors and SRS Investors who are unable to attend the AGM but would like to vote, may inform their CPF and/or SRS Approved Nominees (as the case may be) to appoint the Chairman of the AGM to act as their proxy, in which case, the respective CPF Investors and/or SRS Investors shall be precluded from attending the AGM.

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Affix
Postage
Stamp
Here

ASPEN (GROUP) HOLDINGS LIMITED
Company's Share Registrar
Tricor Barbinder Share Registration Services
80 Robinson Road
#11-02
Singapore 068898

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