
BUSINESS UPDATE ON COVID-19 IMPACT AND PROFIT GUIDANCE

The Board of Directors (the “**Board**” or the “**Directors**”) of Astaka Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to provide an update to the Company’s shareholders in relation to the COVID-19 pandemic.

Impact of COVID-19 and Resumption of Business Operations

The Group has resumed full operations and its staff have returned to their workplaces following the partial lifting of the Movement Control Order (“**MCO**”) in Malaysia on 4 May 2020, with specific health and safety measures such as social distancing, temperature screenings and mask wearing being implemented.

Despite the business disruptions caused by the COVID-19 pandemic, the Group is on track for the construction of the development of Bukit Pelali Phase 1B and, 2A and 2B in the Bukit Pelali Township and is scheduled to obtain the Certificate of Completion and Compliance of these phases by the last quarter of 2020.

In addition, the Group has ramped up the digital and virtual marketing and promotion efforts for the sale of properties of the Group’s projects. The Group also intends to pursue strategic alliance opportunities to develop Phase 3 of One Bukit Senyum, which spans approximately 7.65 acres, with priorities to be given to the virtual marketing of The Astaka, and developments of an entertainment hub and a Grade A office tower.

With the uncertainties over the length of COVID-19 pandemic, the Group will continue to engage its creditors and financial institutions with regard to the settlement of outstanding debts, working capital and future strategic options to unlock the value of its assets.

Financial Performance of the Group

In light of the weak sentiment surrounding the Malaysian residential property sector and the disruption caused by the COVID-19 pandemic, the Group expects to report a net loss for the financial year ended 30 June 2020 (“**FY2020**”), based on a preliminary assessment of the Group’s unaudited financial results for FY2020.

The Company is in the midst of finalising its financial results for FY2020 (the “**Results**”). Further details on the Group’s financial performance will be made available in the Results, which will be announced on or before 29 August 2020.

The Group will continue to closely monitor the COVID-19 situation and provide updates on material developments as and when they arise.

BY ORDER OF THE BOARD

Khong Chung Lun
Executive Director and Chief Executive Officer
19 August 2020

This announcement has been prepared by the Company and reviewed by the sponsor, Novus Corporate Finance Pte. Ltd. (the "Sponsor"), in compliance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited (the "SGX-ST") Listing Manual Section B: Rules of Catalyst.

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.

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