



ASTI Holdings Limited and its Subsidiaries

**Condensed Interim Financial Statements
For the Six Months and Full Year Ended 31 December 2023**

CONDENSED BALANCE SHEETS

AS AT 31 DECEMBER 2023

	Note	Group		Company	
		31 Dec 2023 S\$'000 (unaudited)	31 Dec 2022 S\$'000 (audited)	31 Dec 2023 S\$'000 (unaudited)	31 Dec 2022 S\$'000 (audited)
ASSETS					
Non-current assets					
Intangible assets		18	18	-	-
Property, plant and equipment	3	27,363	33,248	122	98
Investments in subsidiaries	5	-	-	5,436	5,436
Investments in associates	6	563	1,738	5,801	5,801
Deferred tax assets		36	27	-	-
Other receivables		37	39	-	-
Amounts due from associates		1,922	2,461	1,922	2,461
Total non-current assets		29,939	37,531	13,281	13,796
Current assets					
Inventories		3,431	3,582	-	-
Prepayments and advances		877	883	80	35
Trade receivables		8,091	12,900	-	-
Other receivables		1,281	863	170	106
Amounts due from associates		1,087	628	950	340
Amount due from subsidiaries		-	-	801	1,513
Cash at bank and on hand		20,709	25,875	587	1,456
Total current assets		35,476	44,731	2,588	3,450
Total assets		65,415	82,262	15,869	17,246
EQUITY AND LIABILITIES					
Equity					
Share capital		132,617	132,617	132,617	132,617
Treasury shares		(4,772)	(4,772)	(4,772)	(4,772)
Capital reserves		(8,194)	(8,194)	(2,960)	(2,960)
Foreign currency translation reserve		(1,907)	(604)	-	-
Accumulated losses		(63,001)	(55,502)	(121,139)	(116,444)
Equity attributable to owners of the Company		54,743	63,545	3,746	8,441
Non-controlling interests		(18,562)	(18,424)	-	-
Total equity		36,181	45,121	3,746	8,441
Non-current liabilities					
Deferred tax liabilities		397	424	-	-
Long term payables		2,675	2,412	-	-
Loans and borrowings	9	5,922	9,767	-	-
Lease liabilities		903	844	35	-
Total non-current liabilities		9,897	13,447	35	-
Current liabilities					
Loans and borrowings	9	5,465	2,178	-	-
Lease liabilities		665	655	44	30
Provisions		88	100	-	-
Trade payables and accruals	7	8,528	10,721	1,291	1,175
Other payables	8	4,374	9,683	743	293
Amount due to subsidiaries		-	-	10,010	7,307
Income tax payable		217	357	-	-
Total current liabilities		19,337	23,694	12,088	8,805
Total liabilities		29,234	37,141	12,123	8,805
Total equity and liabilities		65,415	82,262	15,869	17,246

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

	Note	Group					
		6 months ended			12 months ended		
		31 Dec 23 S\$'000 (unaudited)	31 Dec 22 S\$'000 (unaudited)	Change %	31 Dec 23 S\$'000 (unaudited)	31 Dec 22 S\$'000 (audited)	Change %
Revenue	10	22,593	34,566	(34.6)	50,956	67,006	(24.0)
Cost of sales		(19,517)	(24,219)	(19.4)	(41,531)	(48,528)	(14.4)
Gross profit		3,076	10,347	(70.3)	9,425	18,478	(49.0)
Other income¹	11	398	304	30.9	663	570	16.3
Other expense							
- Marketing and distribution		(388)	(860)	(54.9)	(1,256)	(1,628)	(22.9)
- Research and development		(34)	(22)	54.5	(68)	2	NM
- Administrative expenses		(5,262)	(5,264)	-	(10,264)	(10,169)	1.0
- Other losses, net		(2,173)	(2,634)	(17.5)	(1,845)	(1,409)	30.9
- Finance costs, net		(252)	(108)	>100	(501)	(194)	>100
- Share of results of associates, net of tax		120	617	NM	(1,044)	6	NM
Total other expenses		(7,989)	(8,271)	(3.4)	(14,978)	(13,392)	11.9
(Loss)/Profit before income tax	12	(4,515)	2,380	NM	(4,890)	5,656	NM
Income tax expense	13	(30)	(406)	(92.6)	(473)	(1,124)	(57.9)
(Loss)/Profit for the year		(4,545)	1,974	NM	(5,363)	4,532	NM
(Loss)/Profit attributable to:							
Owners of the Company		(4,323)	2,239	NM	(4,553)	5,401	NM
Non-controlling interests		(222)	(265)	(16.2)	(810)	(869)	(6.8)
(Loss)/Profit for the year		(4,545)	1,974	NM	(5,363)	4,532	NM
(Loss)/Earnings per share attributable to owners of the Company (cents per share)							
Basic and diluted	14	(0.66)	0.34		(0.70)	0.82	

NM: Not meaningful

¹Amount of \$1,157,000 which was classified as other income in the financial statements announced by the Company on 14 August 2023 for the financial period ended 30 June 2023, has been reclassified to other losses, net for disclosure purposes.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

	Group						
	Note	6 months ended		Change %	12 months ended		Change %
		31 Dec 23 S\$'000 (unaudited)	31 Dec 22 S\$'000 (unaudited)		31 Dec 23 S\$'000 (unaudited)	31 Dec 22 S\$'000 (audited)	
(Loss)/profit for the year		(4,545)	1,974	NM	(5,363)	4,532	NM
Other comprehensive income items that may be reclassified subsequently to profit or loss							
Foreign currency translation		<u>(1,161)</u>	<u>448</u>	NM	<u>(631)</u>	<u>(77)</u>	NM
Other comprehensive (loss)/income for the year, net of tax of nil		<u>(1,161)</u>	<u>448</u>	NM	<u>(631)</u>	<u>(77)</u>	NM
Total comprehensive (loss)/income for the year		<u>(5,706)</u>	<u>2,422</u>	NM	<u>(5,994)</u>	<u>4,455</u>	NM
Attributable to:							
Owners of the Company		(5,816)	1,678	NM	(5,834)	4,251	NM
Non-controlling interests		<u>110</u>	<u>744</u>	NM	<u>(160)</u>	<u>204</u>	NM
(Loss)/Profit for the year		<u>(5,706)</u>	<u>2,422</u>	NM	<u>(5,994)</u>	<u>4,455</u>	NM

NM: Not meaningful

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FULL YEAR ENDED 31 DECEMBER 2023

	Attributable to equity holders of the Company							
	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to owners of the Company, Total	Non-controlling interests	Total equity
	S\$'000	S\$'000	(Non-distributable) S\$'000	S\$'000	(Distributable) S\$'000	S\$'000	S\$'000	S\$'000
Group								
Balance at 1 January 2023	132,617	(4,772)	(8,194)	(604)	(55,502)	63,545	(18,424)	45,121
Loss for the year	-	-	-	-	(4,553)	(4,553)	(810)	(5,363)
<i>Other comprehensive loss:</i>								
Foreign currency translation reserve	-	-	-	(1,303)	-	(1,303)	672	(631)
Total comprehensive loss for the year	-	-	-	(1,303)	(4,553)	(5,856)	(138)	(5,994)
<i>Contributions by and distributions to owners:</i>								
Dividends on ordinary shares	-	-	-	-	(2,946)	(2,946)	-	(2,946)
Total contributions by and distributions to owners	-	-	-	-	(2,946)	(2,946)	-	(2,946)
Balance at 31 December 2023	132,617	(4,772)	(8,194)	(1,907)	(63,001)	54,743	(18,562)	36,181
Balance at 1 January 2022 (Restated)	132,617	(4,772)	(8,194)	546	(60,903)	59,294	(18,628)	40,666
Profit for the year	-	-	-	-	5,401	5,401	(869)	4,532
<i>Other comprehensive income:</i>								
Foreign currency translation reserve	-	-	-	(1,150)	-	(1,150)	1,073	(77)
Total comprehensive (loss)/income for the year	-	-	-	(1,150)	5,401	4,251	204	4,455
Balance at 31 December 2022	132,617	(4,772)	(8,194)	(604)	(55,502)	63,545	(18,424)	45,121

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE FULL YEAR ENDED 31 DECEMBER 2023

Company	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
Balance at 1 January 2023	132,617	(4,772)	(2,960)	(116,444)	8,441
Loss for the year	-	-	-	(1,749)	(1,749)
Total comprehensive loss for the year	-	-	-	(1,749)	(1,749)
<i>Contributions by and distributions to owners:</i>					
Dividends on ordinary shares	-	-	-	(2,946)	(2,946)
Total contributions by and distributions to owners	-	-	-	(2,946)	(2,946)
Balance at 31 December 2023	132,617	(4,772)	(2,960)	(121,139)	3,746
Balance at 1 January 2022 (Restated)	132,617	(4,772)	(2,960)	(120,009)	4,876
Profit for the year	-	-	-	3,565	3,565
Total comprehensive income for the year	-	-	-	3,565	3,565
Balance at 31 December 2022	132,617	(4,772)	(2,960)	(116,444)	8,441

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE FULL YEAR ENDED 31 DECEMBER 2023

Group	31 Dec 23 S\$'000 (unaudited)	31 Dec 22 S\$'000 (audited)
OPERATING ACTIVITIES		
(Loss)/profit before tax	(4,890)	5,656
<i>Add/(less) for non cash items:</i>		
- Depreciation of property, plant and equipment	8,833	9,075
- Impairment loss on property, plant and equipment	152	212
- Allowance of stock obsolescence, net	60	32
- Allowance on amounts due from associates	1,056	845
- Write-back of allowance on trade receivables	-	(208)
- Allowance/(Write-back) on other receivables	27	(8)
- (Gain)/Loss on disposal of property, plant and equipment	(4)	5
- Interest income	(673)	(355)
- Interest expense	1,142	507
- Share of results of associates	1,044	(6)
- Effects of exchange loss	(905)	(516)
- Gain on disposal of subsidiary	(304)	-
- Bad debts written off	27	-
Operating cash flows before changes in working capital	5,565	15,239
<i>Changes in working capital:</i>		
(Increase)/decrease in:		
- Inventories	66	(245)
- Prepayment and advances	(10)	(20)
- Trade receivables	4,549	(1,333)
- Other receivables	(104)	19
- Amounts due from associates	948	(148)
Increase/(decrease) in:		
- Long term payables	(264)	(134)
- Trade and other payables	(7,007)	(3,603)
Cash flows generated from operations	3,743	9,775
Interest paid	(1,059)	(130)
Interest received	80	82
Income tax paid	(981)	(1,285)
Net cash flows generated from operating activities	1,783	8,442

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE FULL YEAR ENDED 31 DECEMBER 2023

Group	31 Dec 23 S\$'000 (unaudited)	31 Dec 22 S\$'000 (audited)
INVESTING ACTIVITIES		
Purchase of property, plant and equipment (Note A)	(3,522)	(14,097)
Proceeds from disposal of property, plant and equipment	-	6
Net cash flows used in from investing activities	<u>(3,522)</u>	<u>(14,091)</u>
FINANCING ACTIVITIES		
Payment of principal portion of lease liabilities	(912)	(1,075)
Repayments of bank borrowings	(307)	(208)
Proceeds from bank borrowings	-	9,422
Dividends paid on ordinary shares by the Company	(2,946)	-
Net cash flows (used in)/generated from financing activities	<u>(4,165)</u>	<u>8,139</u>
Net (decrease)/increase in cash and cash equivalents	(5,904)	2,490
Cash and cash equivalents at beginning of the financial year	25,875	23,849
Effects of exchange rate changes on cash and cash equivalents	738	(464)
Cash and cash equivalents at end of the financial year	<u>20,709</u>	<u>25,875</u>

A. Purchase of property, plant and equipment

Property, plant and equipment were acquired by means of:

Group	31 Dec 23 S\$'000	31 Dec 22 S\$'000
Cash payments	3,522	14,097
Leases	-	167
Other payables (Note 7)	45	5,266
	<u>3,567</u>	<u>19,530</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

1. CORPORATION INFORMATION

ASTI Holdings Limited (the “Company”) was incorporated in the Republic of Singapore on 27 March 1999 as a public company limited by shares. The Company is domiciled in the Republic of Singapore and was admitted to the Official List of the Stock Exchange of Singapore Dealing and Automated Quotation System (“SGX-SESDAQ”) on 8 July 1999. Effective 28 April 2005, the listing and quotation of the Company’s shares was transferred to the official list of the SGX Mainboard. These condensed interim consolidated financial statements as at and for the six months and full year ended 31 December 2023 comprise the Company and its subsidiaries (collectively, the “Group”).

On 6 June 2022, the Company received a delisting notification from SGX-ST and trading in the Company’s securities was ceased on 9am, 5 July 2022 and trading will remain suspended until the completion of an exit offer.

The registered office of the Company and the principal place of the business is located at 33 Ubi Avenue 3, Vertex #06-72 Singapore 408868.

The principal activities of the Company are those of investment holding and acting as corporate manager and advisor in connection with the administration and organisation of the businesses of its subsidiaries. The principal activities of the subsidiaries and associates are disclosed in Note 5 and Note 6 respectively.

The current Board of Directors as at the date of this report was reconstituted on 16 January 2024. Accordingly, none of the current directors was involved in any of the business and financial affairs of the Company and the Group in the course of the financial year ended 31 December 2023 (“FY2023”)*. Further, as set out in its announcement dated 24 January 2024, the Company is in the process of reviewing the corporate and business dealings and transactions of the Group under the previous Board of Directors, and there may be a possibility that findings from such review may be inconsistent with the contents of this report.

*Mr Soh Pock Kheng was an independent contractor pursuant to a service agreement dated 7 September 2022 for a period of 12 months.

2. BASIS OF PREPARATION

The unaudited condensed interim consolidated financial statements for the six months and full year ended 31 December 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The unaudited condensed interim financial statements are presented in Singapore Dollars (SGD or S\$) and all values in the tables are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

2.1 *New and amended standards adopted by the Group*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial year, the Group has adopted all the new and revised standards which are mandatorily effective for annual financial periods beginning on or after 1 January 2023. The adoption of these new SFRS(I), amendments and interpretations of SFRS(I) is not expected to have a material impact on the Group’s unaudited condensed interim consolidated financial statements for current and prior financial years.

2.2 *Use of judgement and estimates*

In preparing the unaudited condensed interim consolidated financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the unaudited consolidated financial statements as at and for the year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

3. PROPERTY, PLANT AND EQUIPMENT

Included in freehold land and buildings is a freehold land at cost of S\$2,418,000 (2022: S\$2,473,000). Freehold land and buildings with carrying value of S\$4,252,000 (2022: S\$4,847,000) are pledged for bank borrowings as at end of the reporting period as disclosed in Note 8.

4. SEASONAL OPERATIONS

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

5. SUBSIDIARIES

Company	31 Dec 23 S\$'000	31 Dec 22 S\$'000
Quoted shares, at cost	37,914	37,914
Unquoted shares, at cost	21,365	21,365
Less: Dividend income declared from subsidiary's pre-acquisition reserve	(294)	(294)
	58,985	58,985
Impairment loss on quoted shares	(37,914)	(37,914)
Impairment loss on unquoted shares	(15,635)	(15,635)
	5,436	5,436
Allowance for impairment:		
Balance at beginning of the year	53,549	55,152
Current year allowance	-	(103)
Deregistration during the year	-	(1,500)
Balance at end of the year	53,549	53,549

(a) The Group has the following significant investments in subsidiaries:

Name of subsidiaries (Country of incorporation)	Principal activities	Proportion of ownership interest held by the Group	
		31 Dec 2023	31 Dec 2022
		%	%
Held by the Company			
Telford Industries Pte Ltd (Singapore)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford SVC. Phils., Inc. (Philippines)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Reel Service Limited (United Kingdom)	Investment holding, manufacturing and distribution of carrier tapes and plastic reels and provision of semiconductor manufacturing	100	100
Reel Service (Philippines), Inc. (Philippines)	Manufacturing and distribution of carrier tapes and plastic reels and provision of semiconductor manufacturing services for surface mount technology components	100	100

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

5. SUBSIDIARIES (CONT'D)

(a) The Group has the following significant investments in subsidiaries (Cont'd):

Name of subsidiaries (Country of incorporation)	Principal activities	Proportion of ownership interest held by the Group	
		31 Dec 2023 %	31 Dec 2022 %
Held by the Company			
Telford Technologies (Shanghai) Pte Ltd (People's Republic of China)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford Property Management Inc. (Philippines)	Property investment	100	100
Dragon Group International Limited (Singapore)	Investment holding and acting as corporate manager and advisor to its subsidiaries	41	41
EoPlex Limited (Hong Kong)	Development of advanced chip packaging and related technologies	85	85
Held by EoPlex Limited			
EoPlex Inc (United States of America)	Development of advanced chip packaging and related technologies	-	100
Held by Telford Industries Pte Ltd			
Telford Service Sdn. Bhd. (Malaysia)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford Service (Melaka) Sdn. Bhd. (Malaysia)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Held by Dragon Group International Limited			
Sooner Technology Pte Ltd (Singapore)	Trading in electronic components, computer peripherals and acting as commission agent	100	100
Dragon Equipment & Materials Technology Ltd (Hong Kong)	Sale, distribution and acting as commission agent in equipment, materials and electronic components	100	100
DTB Limited (Hong Kong)	Investment holding	100	100
Held by Dragon Equipment & Materials Technology Ltd			
Spire Technologies Pte Ltd (Singapore)	Importing, exporting, retailing and trading in electronic components and test consumables	100	100
Held by Spire Technologies Pte Ltd			
Spire Technologies (Taiwan) Ltd (Taiwan)	Importing, exporting, retailing and trading in electronic components and test consumables	60	60

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

5. SUBSIDIARIES (CONT'D)

(a) The Group has the following significant investments in subsidiaries (Cont'd):

Name of subsidiaries (Country of incorporation)	Principal activities	Proportion of ownership interest held by the Group	
		31 Dec 2023	31 Dec 2022
		%	%
Held by DTB Limited			
Nanjing DTB Development Co., Ltd (People's Republic of China)	Construction of antique wooden sea boat, communication of culture, exhibition and conference etc.	60	60
Dragon Ventures Limited (Hong Kong)	Investment holding	100	100
Held by Dragon Ventures Limited			
Dragon Tourism Management Company Limited (People's Republic of China)	Develop and manage a mixed-used property	100	100

The above list excludes subsidiaries that are insignificant to the operations of the Group.

6. INVESTMENT IN ASSOCIATES

The Group's material investment in associates are summarised below:

	Group		Company	
	31 Dec 23 S\$'000	31 Dec 22 S\$'000	31 Dec 23 S\$'000	31 Dec 22 S\$'000
<u>Advanced Systems Automation Limited</u>				
Quoted shares, at cost	31,058	31,058	31,058	31,058
Impairment loss	(25,257)	(25,257)	(25,257)	(25,257)
Cumulative share of loss	(5,238)	(4,063)	-	-
	563	1,738	5,801	5,801
<u>EoCell Limited</u>				
Unquoted shares, at cost	20,000	20,000	-	-
Impairment loss	(17,922)	(17,922)	-	-
Cumulative share of loss	(2,078)	(2,078)	-	-
	-	-	-	-
	563	1,738	5,801	5,801
Carrying amount of quoted shares at end of year	563	1,738	5,801	5,801
Carrying amount of unquoted shares at end of year	-	-	-	-

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

6. INVESTMENT IN ASSOCIATES (CONT'D)

The Group has the following significant investments:

Name of investments (Country of incorporation)	Principal activities	Portion of ownership interest held by the Group	
		31 Dec 2023 %	31 Dec 2022 %
Held by the Company			
Advanced Systems Automation Limited (Singapore)	Investment holding	26	26
Held by Advanced Systems Automation Limited			
Emerald Precision Engineering Sdn. Bhd. (Malaysia)	Fabrication of tooling, dies and related moulding of spare parts and other related businesses	26	26
Pioneer Venture Pte Ltd (Singapore)	Contract manufacturing solutions of fabricated metal products	26	26
Yumei Technologies Sdn. Bhd. (Malaysia)	Manufacturing of die-casting products	26	26
Yumei REIT Sdn. Bhd. (Malaysia)	Property owner	26	26
Held by Dragon Group International Limited (a subsidiary of the Company)			
EoCell Limited (Hong Kong)	Development of battery and storage solutions	40	40
Held by EoCell Limited			
EoCell Inc (United States of America)	Development of battery and storage solutions	100	100

The above list excludes associates that are insignificant to the operations of the Group.

7. TRADE PAYABLES AND ACCRUALS

	Group		Company	
	31 Dec 23 S\$'000	31 Dec 22 S\$'000	31 Dec 23 S\$'000	31 Dec 22 S\$'000
Trade payables - third parties	2,307	2,851	-	-
Accruals	6,221	7,870	1,291	1,175
	<u>8,528</u>	<u>10,721</u>	<u>1,291</u>	<u>1,175</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

8. OTHER PAYABLES

	Group		Company	
	31 Dec 23 S\$'000	31 Dec 22 S\$'000	31 Dec 23 S\$'000	31 Dec 22 S\$'000
Proposed Directors' fees	223	223	223	223
Proposed Directors' fees of subsidiaries	214	204	-	-
Payable arising from purchase of property, plant and equipment	45	5,266	-	-
Advances received from customers (Note (i))	58	71	-	-
Advances for capital injection from non-controlling interest	2,347	2,447	-	-
Sundry creditors	1,372	747	512	64
Others	115	725	8	6
	4,374	9,683	743	293

(i) The advances received from customers relate to the deposits received for sales orders.

9. LOANS AND BORROWINGS

	Group	
	31 Dec 23 S\$'000	31 Dec 22 S\$'000
Current liabilities		
Unsecured loan (a)	889	1,018
Unsecured loan (b)	948	1,083
Unsecured loan (c)	338	77
Secured loan (d)	3,290	-
	5,465	2,178
Non-current liabilities		
Unsecured loan (c)	-	345
Secured loan (d)	5,922	9,422
	5,922	9,767
	11,387	11,945

Unsecured loans

- (a) Unsecured floating rate bank borrowing of a subsidiary bears effective interest rate of 6.25% (2022: 6.25%) per annum. This bank borrowing comprises S\$889,000 (2022: S\$1,018,000) which is repayable ranging from 90 days to 180 days. This loan is for the purpose of working capital.
- (b) Short term unsecured floating rate bank borrowing of a subsidiary bears effective interest rate of 6.00% (2022: 6.00%) per annum. This bank borrowing comprises S\$948,000 (2022: S\$1,083,000) which is repayable in within one year. This loan is for the purpose of working capital.
- (c) Unsecured floating rate bank borrowing of a subsidiary bear effective interest rate of 4.31% (2022: 4.31%) per annum. This bank borrowing comprises S\$338,000 (2022: S\$77,000) and S\$Nil (2022: S\$345,000) which is repayable within one year (2022: one year and 2 years) respectively. This loan is for the purpose of working capital.

Secured loan

- (d) Secured fixed rate bank borrowing of a subsidiary bear effective interest rate of 8.17% (2022: 8.17%) per annum. This bank borrowing comprises S\$3,290,000 (2022: S\$Nil) in current liabilities and S\$5,922,000 (2022: S\$9,422,000) in non-current liabilities which is repayable quarterly from 2024 onwards. This loan is secured by a building pledged by a subsidiary of the Group. This loan is for the purpose of financing machineries purchases.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

10. REVENUE

Disaggregation of revenue

Group	Backend equipment solutions & technologies		Distribution & services		Total revenue	
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
12 months ended	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

Primary geographical markets

China	4,526	8,380	282	770	4,808	9,150
Singapore	746	817	34	283	780	1,100
Malaysia	2,610	3,379	303	283	2,913	3,662
Philippines	34,280	43,571	-	-	34,280	43,571
United Kingdom	2,034	2,478	-	-	2,034	2,478
Others	3,768	4,639	2,373	2,406	6,141	7,045
	47,964	63,264	2,992	3,742	50,956	67,006

Timing of transfer of goods Or services

At a point in time	47,964	63,264	2,992	3,742	50,956	67,006
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Group	Backend equipment solutions & technologies		Distribution & services		Total revenue	
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
6 months ended	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000

Primary geographical markets

China	2,316	4,065	140	731	2,456	4,796
Singapore	311	379	34	51	345	430
Malaysia	1,220	1,665	194	165	1,414	1,830
Philippines	14,029	23,758	-	-	14,029	23,758
United Kingdom	1,030	1,145	-	-	1,030	1,145
Others	1,889	2,040	1,430	567	3,319	2,607
	20,795	33,052	1,798	1,514	22,593	34,566

Timing of transfer of goods Or services

At a point in time	20,795	33,052	1,798	1,514	22,593	34,566
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NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

11. OTHER INCOME

	Group		Group	
	6 months ended		12 months ended	
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
	S\$'000	S\$'000	S\$'000	S\$'000
Rental income	359	193	565	381
Government incentives and grant income	15	39	71	111
Others	24	72	27	78
	<u>398</u>	<u>304</u>	<u>663</u>	<u>570</u>

12. (LOSS)/PROFIT BEFORE INCOME TAX

The following significant items have been included in arriving at (loss)/profit before tax.

	Group		Group	
	6 months ended		12 months ended	
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
	S\$'000	S\$'000	S\$'000	S\$'000
Interest income	338	219	673	355
Interest expense	(572)	(307)	(1,142)	(507)
Depreciation on property, plant and equipment	(4,284)	(5,162)	(8,833)	(9,075)
Property, plant and equipment written off	-	6	-	-
Gain/(Loss) on disposal of property, plant and equipment	4	(1)	4	(5)
Impairment loss on property, plant and equipment	(152)	(212)	(152)	(212)
Bad debts written off	(27)	-	(27)	-
Allowance on amounts due from associates (Allowance on)/Write back of stock obsolescence, net	(2,213)	(845)	(1,056)	(845)
Effects of exchange loss	(32)	33	(60)	32
Gain on disposal of subsidiary	(89)	(1,746)	(905)	(516)
Write back on trade receivables	304	-	-	-
(Allowance on)/Write back of other receivables	-	203	-	208
	<u>(13)</u>	<u>8</u>	<u>(27)</u>	<u>8</u>

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

13. INCOME TAX EXPENSE

	Group		Group	
	6 months ended		12 months ended	
	<u>31 Dec 23</u>	<u>31 Dec 22</u>	<u>31 Dec 23</u>	<u>31 Dec 22</u>
	S\$'000	S\$'000	S\$'000	S\$'000
Current income tax:				
- Current income tax	(61)	(1,170)	(503)	(1,177)
- Overprovision in respect of prior years	<u>31</u>	<u>892</u>	<u>30</u>	<u>183</u>
	(30)	(278)	(473)	(994)
Deferred income tax:				
- Origination and reversal of temporary difference	<u>-</u>	<u>(128)</u>	<u>-</u>	<u>(130)</u>
Income tax expense recognised in profit and loss	<u>(30)</u>	<u>(406)</u>	<u>(473)</u>	<u>(1,124)</u>

14. NET ASSETS VALUE

	Group		Company	
	<u>31 Dec 23</u>	<u>31 Dec 22</u>	<u>31 Dec 23</u>	<u>31 Dec 22</u>
Net assets value per share (cents)	<u>8.36</u>	<u>9.71</u>	<u>0.57</u>	<u>1.29</u>
Based on number of shares (in '000s)	<u>654,731</u>	<u>654,731</u>	<u>654,731</u>	<u>654,731</u>

Net assets value per share is calculated based on the equity attributable to the owners of the Company divided by the number of issued shares (excluding treasury shares).

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

15. (LOSS)/EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial year.

The following reflects the income and share data used in the basic and diluted earnings per share computations for the financial year ended 31 December 2023 and 2022:

Group	31 Dec 23 S\$'000	31 Dec 22 S\$'000
(Loss)/profit for the year attributable to owners of the Company used in the computation of basic and diluted earnings per ordinary share	<u>(4,553)</u>	<u>5,401</u>
Weighted average number of ordinary shares in issue applicable to basic and diluted earnings per share computation (no. of shares, in '000s)	<u>654,731</u>	<u>654,731</u>

The diluted earnings per share are the same as the basic earnings per share as there were no outstanding convertible securities.

16. SHARE CAPITAL

Group and Company	31 Dec 23 Number of shares	31 Dec 22 Number of shares	31 Dec 23 S\$'000	31 Dec 22 S\$'000
Issued and fully paid ordinary shares				
Balance at beginning and at end	<u>681,966,341</u>	<u>681,966,341</u>	<u>132,617</u>	<u>132,617</u>

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

17. TREASURY SHARES

Group and Company	31 Dec 23 Number of shares	31 Dec 22 Number of shares	31 Dec 23 S\$'000	31 Dec 22 S\$'000
Balance at beginning and at end	<u>(27,234,855)</u>	<u>(27,234,855)</u>	<u>(4,772)</u>	<u>(4,772)</u>

Treasury shares relate to the ordinary shares of the Company that are held by the Company. Losses or gains on disposal or reissue of treasury shares are reflected as equity in the balance sheet.

18. SEGMENT INFORMATION

The Group positioned its operations into two strategic business segments comprising Back-end Equipment Solutions and Technologies ("BEST") and Distribution and Services. BEST is mainly engaged in provision of solutions and technologies in the back-end (i.e. assembly, test and finishing) arena of the semiconductor industry. The Distribution and Services segment is engaged mainly in the provision of semiconductor application in consumer electronics, computer peripheral and communication solution.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

18. SEGMENT INFORMATION (CONT'D)

Inter-segment sales and transfers are carried out on an arm's length basis. Segment assets consist primarily of property, plant and equipment, current assets, investments and intangible assets.

Group	Backend equipment solutions & technologies		Distribution & services		Adjustments and elimination		Total Consolidation	
	31 Dec 23 S\$'000	31 Dec 22 S\$'000	31 Dec 23 S\$'000	31 Dec 22 S\$'000	31 Dec 23 S\$'000	31 Dec 22 S\$'000	31 Dec 23 S\$'000	31 Dec 22 S\$'000
12 months ended								
Revenue								
Segmental revenue								
- External sales	47,964	63,264	2,992	3,742	-	-	50,956	67,006
- Inter-segmental sales	38	1,737	-	-	(38)	(1,737)	-	-
Segment results	48,002	65,001	2,992	3,742	(38)	(1,737)	50,956	67,006
EBITDA	6,178	16,327	(1,527)	(1,416)	-	-	4,651	14,911
Interest income	705	131	3	2	(35)	222	673	355
Interest expense	(1,166)	(271)	(11)	(14)	35	(222)	(1,142)	(507)
Depreciation on property, plant and equipment	(8,833)	(9,074)	-	(1)	-	-	(8,833)	(9,075)
Reversal of impairment of property, plant and equipment	(152)	(212)	-	-	-	-	(152)	(212)
(Allowance)/Write-back of stock obsolescence, net	(54)	(34)	(6)	2	-	-	(60)	(32)
Write-back of allowance on trade receivables	-	203	-	5	-	-	-	208
(Allowance)/Write-back on other receivables	(13)	8	(14)	-	-	-	(27)	8
(Loss)/Profit before tax	(3,335)	7,078	(1,555)	(1,422)	-	-	(4,890)	5,656
Income tax expense	(496)	(1,098)	23	(26)	-	-	(473)	(1,124)
(Loss)/Profit after tax	(3,831)	5,980	(1,532)	(1,448)	-	-	(5,363)	4,532
Other information:								
Share of results of associates, net of tax	(1,044)	6	-	-	-	-	(1,044)	6
Foreign currency exchange gain/(loss)	478	237	(478)	(1,127)	-	-	-	(890)
Addition to non-current assets	3,567	19,530	-	-	-	-	3,567	19,530
Segment assets	72,281	88,760	1,723	2,356	(8,591)	(8,854)	65,413	82,262
Segment liabilities	15,703	27,196	22,122	21,745	(8,591)	(8,854)	29,234	40,087

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

18. SEGMENT INFORMATION (CONT'D)

Inter-segment sales and transfers are carried out on an arm's length basis. Segment assets consist primarily of property, plant and equipment, current assets, investments and intangible assets.

Group	Backend equipment solutions & technologies		Distribution & services		Adjustments and elimination		Total Consolidation	
	31 Dec 23 S\$'000	31 Dec 22 S\$'000	31 Dec 23 S\$'000	31 Dec 22 S\$'000	31 Dec 23 S\$'000	31 Dec 22 S\$'000	31 Dec 23 S\$'000	31 Dec 22 S\$'000
6 months ended								
Revenue								
Segmental revenue								
- External sales	20,795	33,052	1,798	1,514	-	-	22,593	34,566
- Inter-segmental sales	1	1,737	-	-	(1)	(1,737)	-	1,720
Segment results	20,796	34,789	1,798	1,514	(1)	(1,737)	22,593	36,286
EBITDA	594	8,024	(394)	(362)	-	-	200	7,662
Interest income	338	(286)	-	2	-	503	338	219
Interest expense	(572)	139	-	57	-	(503)	(572)	(307)
Depreciation on property, plant and equipment	(4,284)	(5,162)	-	-	-	-	(4,284)	(5,162)
Reversal of impairment of property, plant and equipment	(152)	(212)	-	-	-	-	(152)	(212)
(Allowance)/Write-back of stock obsolescence, net	(32)	(33)	-	2	-	-	(32)	(31)
Write-back on allowance on trade receivables	-	189	-	14	-	-	-	203
(Allowance)/Write-back on other receivables	(13)	8	-	-	-	-	(13)	8
(Loss)/Profit before tax	(4,121)	2,667	(394)	(287)	-	-	(4,515)	2,380
Income tax expense	(60)	(425)	30	19	-	-	(30)	(406)
(Loss)/Profit after tax	(4,181)	2,242	(364)	(268)	-	-	(4,545)	1,974
<u>Other information:</u>								
Share of results of associates, net of tax	(771)	(76)	892	693	-	-	121	617
Foreign currency exchange loss/gain	911	(1,418)	(96)	(702)	-	-	815	(2,120)
Addition to non-current assets	1,804	11,086	-	-	-	-	1,804	11,086
Segment assets	(13,035)	(16,101)	(17,335)	(7,096)	(580)	413	(30,950)	(22,784)
Segment liabilities	(1,788)	(895)	(477)	97	(580)	413	(2,845)	(385)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

19. SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant transactions are entered with related parties and the effects of these transactions on the basis determined between the parties are reflected in these financial statements.

Group	6 months ended		12 months ended	
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
	S\$'000	S\$'000	S\$'000	S\$'000
Related parties:				
Corporate cost recovery	60	170	120	170
Interest income	<u>295</u>	<u>182</u>	<u>593</u>	<u>273</u>
Shareholder:				
Consultancy services	<u>27</u>	<u>38</u>	<u>87</u>	<u>38</u>
Directors or key executive officers:				
Fee paid to director of listed subsidiaries for consultancy services	<u>-</u>	<u>-</u>	<u>40</u>	<u>40</u>

20. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Group		Company	
	31 Dec 23	31 Dec 22	31 Dec 23	31 Dec 22
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets measured at amortised cost				
Amounts due from subsidiaries	-	-	801	1,513
Amounts due from associates	1,087	3,089	2,872	2,801
Trade receivables	8,091	12,900	-	-
Other receivables (excluding tax recoverable)	840	754	170	106
Cash at bank and on hand	<u>20,709</u>	<u>25,875</u>	<u>587</u>	<u>1,456</u>
	<u>30,727</u>	<u>42,618</u>	<u>4,430</u>	<u>5,876</u>
Financial liabilities measured at amortised cost				
Trade payables and accruals	8,528	10,721	1,291	1,175
Other payables	4,374	9,683	743	293
Amounts due to subsidiaries	-	-	10,010	7,307
Lease liabilities	1,568	1,499	79	30
Long term payables	2,675	2,412	-	-
Loans and borrowings	<u>11,387</u>	<u>11,945</u>	<u>-</u>	<u>-</u>
Financial liabilities at amortised cost	<u>28,532</u>	<u>36,260</u>	<u>12,123</u>	<u>8,805</u>

21. FAIR VALUE OF ASSETS AND LIABILITIES

(i) Fair value hierarchy

The Group categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

- Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Group can access at the measurement date,
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and
- Level 3 – Unobservable inputs for the asset or liability.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

21. FAIR VALUE OF ASSETS AND LIABILITIES (CONT'D)

Fair value measurements that use inputs of different hierarchy levels are 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.

There has been no transfer between Level 1 and Level 2 and no transfers into or out of Level 3 during the financial years ended 2023 and 2022.

(ii) Assets and liabilities measured at fair value

Investment securities are measured at fair value in 2023 and 2022.

(iii) Assets and liabilities not carried at fair value, for which fair value is disclosed

Determination of fair value

Management has determined that the carrying amounts of loans and borrowings based on their notional amounts, reasonably approximate their fair values because these are mostly short term in nature or are re-priced frequently.

Company	Fair value measurements at the end of the reporting period using			
	Quoted prices in active markets for identical assets (Level 1) S\$'000	Significant observable inputs (Level 2) S\$'000	Total S\$'000	Carrying amount S\$'000
2023				
Assets				
Associates:				
- Quoted shares	5,801	–	5,801	5,801
2022				
Assets				
Associates:				
- Quoted shares	5,801	–	5,801	5,801

22. EVENTS OCCURRING AFTER THE REPORTING PERIOD

- a. On 15 and 16 January 2024, pursuant to board resolutions passed, Mr. Ng Yew Nam, Mr. Soh Pock Kheng, Mr. Raymond Lam Kuo Wei, Mr. Chow Wai San and Mr. Yap Alvin Tsok Sein have been appointed as Directors of the Company (“New Directors”) following the resignation of Mr. Charlie Jangvijitkul, Dato’ Sri Mohd Sopiyan B Mohd Rashdi, Mr. Anthony Loh and Mr. Theerachai Leenabanchong. On 15 January 2024, Mr. Anthony Loh, the Chief Financial Officer and Acting Chief Executive Officer of the Company also voluntarily resigned from his employment. Following the appointments of the New Directors, the Board of Directors and the Board Committees of the Company have reconstituted with effect from 16 January 2024.
- b. Post FY2023, the total outstanding amount due from Advanced System Automation Limited (“ASA”), the associated company of the Group, was S\$11.6 million as of June 2024. As of the date of this announcement, the Company has received S\$2.2 million of the outstanding amount due from ASA.

The Company has issued a statutory demand letter to ASA demanding for the full repayment of the outstanding corporate support services fees owed by ASA of S\$396,941.94 by 16 September 2024.

- c. On 13 May 2024, the Company received a letter of demand from the lawyer representing WER1 Consultants Pte. Ltd. (“WER1”) in relation to the alleged outstanding invoices for purported investor relations and communication services rendered by WER1 to the Company (under the previous management) for the period October 2023 to 12 January 2024 amounting to S\$37,667.84 in aggregate. This matter has been resolved as at the date of this announcement.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

22. EVENTS OCCURRING AFTER THE REPORTING PERIOD (CONT'D)

- d. On 13 August 2024, the board of directors of Dragon Group International (“DGI”), a 40.98% owned subsidiary of the Company, announced that DGI had passed a board resolution to proceed with a creditors’ voluntarily liquidation pursuant to Section 160(1)(b) of the Insolvency, Restructuring and Dissolution Act of 2018 (No. 40 of 2018) and resolved to appoint provisional liquidators until the appointment of Liquidators. An Extraordinary General Meeting of the members of DGI as well as a meeting of creditors of DGI will be convened at a later date.

On 23 August 2024, DGI received a notification from the Singapore Exchange Regulation Pte. Ltd. informing that DGI shares will be delisted from the Official List of the Singapore Exchange Securities Trading Limited with effect from 9 September 2024.

On 9 September 2024, DGI announced that an Extraordinary General Meeting will be held on 4 October 2024 on the winding up of DGI and appointment of joint liquidators.

While at the date of authorisation of these financial statements, the Group has not completed its assessment of the potential impact of this liquidation on its financial statements, the financial statements of DGI Group would likely have to be deconsolidated from the Group in due course.

- e. Subsequent to the allotment of conversion shares and the completion of proposed acquisition announced by ASA on 25 July 2024, 26 July 2024, 2 August 2024 and 5 August 2024, the Company’s interest in ASA has been diluted below 20%. At the date of authorisation of these financial statements, the Group has not completed its assessment of the potential impact of this dilution on its financial statements.
- f. On 13 September 2024, the Company received a letter of demand from ShookLin & Bok (“SLB”) in relation to outstanding payment of S\$46,541.99 owing by the Company to SLB for unpaid invoices in respect of services rendered from June 2023 to March 2024. This matter has been resolved as at the date of this announcement.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

OTHER INFORMATION

1. REVIEW

The condensed consolidated balance sheet of ASTI Holdings Limited and its subsidiaries as at 31 December 2023 and the related condensed consolidated income statement and statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the year then ended and certain explanatory notes have not been audited or reviewed.

2. WHERE THE FIGURES HAVE BEEN AUDITED OR REVIEWED, THE AUDITORS' REPORT (INCLUDING ANY MODIFICATIONS OR EMPHASIS OF MATTER)

Not applicable.

2A. WHERE THE LATEST FINANCIAL STATEMENTS ARE SUBJECT TO AN ADVERSE OPINION, QUALIFIED OPINION OR DISCLAIMER OF OPINION: -

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

The auditors have issued a disclaimer opinion on the Group' audited consolidated financial statements for the financial year ended 31 December 2022 due to the following. The updates on the Group's efforts to resolve each matter is set out below:

- a. The appropriateness and reasonableness on key estimates, inputs and assumptions used in estimating the FVLCD and ECL in the Group's investment in EoCell Limited ("**EoCell**") and amount due from EoCell and any adjustments and disclosures are necessary.
- b. The Company's interest in subsidiary, DGI. The recoverable amount and investment in DGI is assessed to be nil as at FY2021. As DGI investment in EoCell is significant, the auditors are unable to ascertain the DGI's financial position and cashflow.

Pursuant to the queries from the Accounting and Corporate Regulatory Authority ("**ACRA**") pertaining to the financial statements of the Group for financial year ended 31 December 2021 ("**FY2021**"), the current Board, which was reconstituted on 16 January 2024, performed an assessment of impairment on the investment in an Associate, EoCell Inc ("**EoCell**") in response to ACRA's queries. Following this assessment by the current Board, a restatement was made to the Group's FY2021 financial statements. An additional impairment of S\$17,922,000 was provided for in respect of the Group's investment in EoCell, resulting in the Group's investment in EoCell being fully impaired at the end of FY2021.

On 13 August 2024, the board of directors of Dragon Group International Limited ("**DGI**"), a 40.98% owned subsidiary of the Company, announced that DGI had passed a board resolution to proceed with a creditors' voluntarily liquidation pursuant to Section 160(1)(b) of the Insolvency, Restructuring and Dissolution Act of 2018 (No. 40 of 2018) and resolved to appoint provisional liquidators until the appointment of Liquidators in the EGM. An Extraordinary General Meeting of the members of DGI as well as a meeting of creditors of DGI will be convened at a later date.

On 23 August 2024, DGI received a notification from the Singapore Exchange Regulation Pte. Ltd. informing that DGI shares will be delisted from the Official List of the Singapore Exchange Securities Trading Limited with effect from 9 September 2024.

On 9 September 2024, DGI announced that an Extraordinary General Meeting will be held on 4 October 2024 on the winding up of DGI and appointment of joint liquidators.

While at the date of authorisation of these financial statements, the Group has not completed its assessment of the potential impact of this liquidation on its financial statements, the financial statements of DGI Group would likely have to be deconsolidated from the Group in due course.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

2A. WHERE THE LATEST FINANCIAL STATEMENTS ARE SUBJECT TO AN ADVERSE OPINION, QUALIFIED OPINION OR DISCLAIMER OF OPINION (CONT'D): -

(a) Updates on the efforts taken to resolve each outstanding audit issue (cont'd).

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed (cont'd).

c. Others – the auditors were unable to obtain sufficient audit evidence regarding the Group and Company's compliance with the tax and other laws in relation to the employment status of a formal key executive director, who was located overseas during FY2021 whilst fulfilling employment in the Company.

The Company will be seeking tax and legal advisor to assess the risks regarding the employment matter to attempt to resolve this matter.

d. The auditors were unable to obtain sufficient appropriate evidence to ascertain the probability of the outflow of resources embodying economic benefits to settle the obligation pertaining to the ASTI Management Incentive Scheme ("AMIS") and hence unable to ascertain appropriateness of the Group accounting treatment of the accruals.

On 11 August 2023, the previous Board of Directors had approved the termination of the AMIS. Management is in the process of seeking legal advice to confirm matters related to the implication of the termination.

Subject to the ongoing review as stated in Note 1 of the Notes to the Financial Statements above, the Board confirms that all outstanding audit issues have been adequately disclosed.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

3. CHANGES IN TREASURY SHARES

None.

4. CHANGES IN SUBSIDIARY HOLDINGS

Not applicable.

5. REVIEW OF PERFORMANCE OF THE GROUP

Consolidated Income Statement – full year ended 31 December 2023 (“FY2023”) performance

Revenue

	12 months ended 31-December-2023		12 months ended 31-December-2022		
	S\$'000	%	S\$'000	%	
Backend Equipment Solutions & Technologies	47,964	94.1	63,264	94.4	(24.2)
Distribution & Services	2,992	5.9	3,742	5.6	(20.0)
Total	50,956	100.0	67,006	100.0	(24.0)

The Group recorded revenue of S\$51.0 million in the full year ended 31 December 2023 (“FY2023”), a decrease of S\$16.0 million or 24.0% from S\$67.0 million in the previous year ended 31 December 2022 (“FY2022”). This was mainly due to lower revenue from the Backend Equipment Solution & Technologies segment and in the Distribution segment respectively as a result of the slowdown in the Semiconductor industry and expiry of a certain customer contract.

Profitability

Gross profit margin of the Group decreased from 27.6% in FY2022 to 18.5% in FY2023 due to high fixed costs and product mix.

Marketing expenses decreased by S\$0.4 million or 22.8% due mainly to further costs cutting measures, which is in line with the reduced revenue.

Administrative expenses remained relatively consistent at S\$10.3 million in FY2023 compared to S\$10.2 million in FY2022.

Other losses, net increased by S\$0.4 million or 30.9% from S\$1.4 million in FY2022 to S\$1.8 million in FY2023 due to the following:

- a) An increase in exchange loss of S\$0.1 million in FY2023 compared to FY2022 due to the weakening of the US dollars against the Singapore dollars.;
- b) Gain from disposal of subsidiary of S\$0.3 million in FY2023 offset by the impairment loss on fixed assets in FY2022 of S\$0.2 million; and
- c) Offset by the absence of a write-back on trade receivables of S\$0.2 million that was present in FY2022.

Finance costs increased by S\$0.3 million from FY2022 to FY2023 mainly due to the higher interest expense relating to loans in FY2023.

Share of results of associates, mainly from ASA for FY2023 was a loss of S\$1.0 million compared to a gain of S\$6,000 in FY2022.

As a result of the above, the Group recorded loss before tax of S\$4.9 million in FY2023 compared to profit before tax of S\$5.7 million in FY2022.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

5. REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

Consolidated Statement of Financial Position as at 31 December 2023

Non-current assets

Non-current assets decreased by S\$7.6 million mainly due to share of losses of associated company amounting to S\$1.2 million, reclass of amount due from associate from non-current to current as the outstanding is due in 2024, depreciation of property, plant and equipment ("PPE") and right-of-use partially offset by the purchase of PPE.

Current assets

Total current assets decreased by S\$9.2 million from S\$44.7 million as at 31 December 2022 to S\$35.5 million as at 31 December 2023 as a result of the following:

Trade receivables decreased by approximately S\$4.8 million which is consistent with the lower revenue reported in FY2023.

Net cash balance decreased by approximately S\$5.2 million;

Other receivables increased by S\$0.4 million due to higher tax receivables from one of the subsidiaries; and

Amount due from associate increased by approximately S\$0.4 million due to additional loan interest accrued.

Current liabilities

Total current liabilities decreased by S\$4.4 million from S\$23.7 million as at 31 December 2022 to S\$19.3 million as at 31 December 2023 due to the following:

Trade payables and accruals decreased approximately S\$2.2 million due to repayment to suppliers and lesser purchases made in FY2023;

Other payables decreased approximately S\$5.3 million due to repayment made to suppliers arising from PPE purchases.

Loans and borrowings increased approximately S\$3.3 million due to reclassification from non-current liabilities and repayments due to the commencement of loan repayment.

Non-current liabilities

Loans and borrowings decreased approximately S\$3.8 million due to the reclassification of loan to current liabilities as a result of commencement of loan repayment.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

5. REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

Consolidated Statement of Cash Flows Position as at 31 December 2023

Net cash generated from operating activities in FY2023 amounted to S\$1.8 million. The net cash inflows from operating activities during FY2023 were due to operating cashflows before changes in working capital of S\$5.6 million, adjusted by a decrease in net working capital of S\$1.8 million and interest and tax paid of S\$2.0 million.

Net cash used in investing activities amounting to S\$3.5 million was due to the purchase of property, plant and equipment during the financial year.

Net cash used in financing activities amounting to S\$4.2 million was due to the repayment of lease obligations and repayment of bank borrowings and dividend paid respectively.

As a result of the above, cash and cash equivalents decreased by S\$5.9 million in FY2023. Together with the positive effect of exchange rate changes, the cash and cash equivalents stood at S\$20.7 million as at 31 December 2023.

6. WHERE A FORECAST, OR PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS.

Not applicable.

7. A COMMENTARY AT THE DATE OF THE ANNOUNCEMENT OF THE SIGNIFICANT TRENDS AND COMPETITIVE CONDITIONS OF THE INDUSTRY IN WHICH THE GROUP OPERATES AND ANY KNOWN FACTORS OR EVENTS THAT MAY AFFECT THE GROUP IN THE NEXT REPORTING PERIOD AND THE NEXT 12 MONTHS.

During 1H2024, the Company continued to experience significant challenges due to slow market conditions in the semiconductor industry, particularly in the back-end equipment sector which had significant impact on the revenue of the subsidiaries in the Philippines and China. The Group will try to implement containment actions to minimise further losses.

Our key focus is to stabilise the business through various costs cutting measures, streamlining operations to build a lean and efficient team and strengthening our core business.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

8. DIVIDEND

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

Yes

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived

Not applicable

(d) The date the dividend is payable

Not applicable

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

9. IF NO DIVIDEND HAS BEEN DECLARED/RECOMMENDED, A STATEMENT TO THAT EFFECT AND THE REASON(S) FOR THE DECISION

No dividend has been declared or recommended for FY2023 as the Group has accumulated losses as at 31 December 2023.

10. IF THE GROUP HAS OBTAINED A GENERAL MANDATE FROM SHAREHOLDERS FOR IPTS, THE AGGREGATE VALUE OF SUCH TRANSACTIONS AS REQUIRED UNDER RULE 920(1)(A)(II). IF NO IPT MANDATE HAS BEEN OBTAINED, A STATEMENT TO THAT EFFECT.

No general mandate for IPTs has been obtained from shareholders.

Name of interested person	Nature of relationship	Aggregate value of all IPT during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Dragon Group International Limited ("DGI")	Dato Michael Loh Soon Gnee's (controlling shareholder of the Company) indirect interest in DGI held through the Company	<i>Loan to DGI:</i> S\$200,000.00	Nil

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

Name of interested person	Nature of relationship	Aggregate value of all IPT during the financial year under review (excluding transactions less than \$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	Aggregate value of all IPT conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than \$100,000)
Advanced Systems Automation Limited ("ASA")	Dato Michael Loh Soon Gnee's (controlling shareholder of the Company) interest in ASA	<i>Corporate Service Support fees:</i> S\$129,600.00 <i>Interest charged:</i> S\$592,923.07	Nil

11. CONFIRMATION OF UNDERTAKINGS FROM DIRECTORS AND EXECUTIVE OFFICERS PURSUANT TO RULE 720(1) OF THE LISTING MANUAL.

The Company hereby confirms that it has procured undertaking from all directors and executive officers under Rule 720(1).

12. NEGATIVE CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5).

Not applicable for full year announcement.

13. DISCLOSURES ON ACQUISITION AND REALISATION OF SHARES PURSUANT TO RULE 706A.

An indirect wholly-owned subsidiary of DGI, FE Global Shanghai Ltd, held under a 100% owned subsidiary of DGI, Dragon Equipment & Materials Technology Limited, was disposed in FY2023. For more information, please refer to DGI announcement dated 21 February 2024.

14. IN THE REVIEW OF PERFORMANCE, THE FACTORS LEADING TO ANY MATERIAL CHANGES IN CONTRIBUTIONS TO TURNOVER AND EARNINGS BY THE BUSINESS OR GEOGRAPHICAL SEGMENTS.

Please refer to the notes to the condensed interim financial statements of the Group for the six months and full year ended 31 December 2023 as set out in Section 5 of the announcement.

15. A BREAKDOWN OF SALES.

Group	FY2023 S\$'000	FY2022 S\$'000	change %
Revenue reported for first half year	28,363	32,440	-13%
(Loss)/profit after tax before deducting minority interests reported in first half year	(818)	2,558	NM
Revenue reported for second half year	22,593	34,566	-35%
(Loss)/profit after tax before deducting minority interests reported in second half year	(4,546)	1,974	NM

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS AND FULL YEAR ENDED 31 DECEMBER 2023

16. A BREAKDOWN OF THE TOTAL ANNUAL DIVIDEND (IN DOLLAR VALUE) FOR THE ISSUER'S LATEST FULL YEAR AND ITS PREVIOUS FULL YEAR.

Group and Company	<u>FY2023</u> S\$'000	<u>FY2022</u> S\$'000
Dividend declared and paid in respect of FY2022	2,946	-

Subsequent to the financial year ended 31 December 2022, the Company declared tax-exempt one-tier interim dividend of S\$0.0045 per ordinary share of the Company totalling approximately S\$2,946,000 in the respect of the financial year ended 31 December 2022.

The dividend amount was fully paid out to the shareholders on 5 May 2023.

17. DISCLOSURE OF PERSON OCCUPYING A MANAGERIAL POSITION IN THE ISSUER OR ANY OF ITS PRINCIPAL SUBSIDIARIES WHO IS A RELATIVE OF A DIRECTOR OR CHIEF EXECUTIVE OFFICER OR SUBSTANTIAL SHAREHOLDER OF THE ISSUER PURSUANT TO RULE 704(13) IN THE FORMAT BELOW. IF THERE ARE NO SUCH PERSONS, THE ISSUER MUST MAKE AN APPROPRIATE NEGATIVE STATEMENT.

Name	Age	Family relationship with any director and/or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Kho Cheow Wah	56	Kho Cheow Wah is the brother-in-law of Soh Pock Kheng who is an Executive Director and Chief Operating Officer of the Company.	Director of Dragon Group International Limited (In Provisional Liquidation) Duties include: Overall management of DGI Group Date of Appointment: 22 January 2024	No

By Order of the Board

Mr Ng Yew Nam
Executive Director & CEO
ASTI HOLDINGS LIMITED

20 September 2024