



ASTI Holdings Limited

(Incorporated in the Republic of Singapore)
(Company Registration No. 199901514C)
(the "Company")

RESPONSE TO SGX QUERIES

The board of directors (the "**Board**") of ASTI Holdings Limited (the "**Company**" and together with its subsidiaries, collectively the "**Group**") would like to provide the following information in response to the queries from the Singapore Exchange Securities Trading Limited ("SGX") in respect of the Company's response to SGX queries on 28 August 2023 in relation to the Company's unaudited financial statements for the period ended 30 June 2023.

SGX Query 1

In relation to the Company's response to Query 3, please disclose:

- (a) how revenue was generated when the product has not yet been commercialized;
- (b) details and breakdown of all significant expenses which resulted in the share of losses in EoCell Limited ("EoCell") of \$892,000 in 1H2023 and of \$692,000 in 1H2022. To also disclose a breakdown of all significant expenses and the Company's share of losses in 2H2022 in EoCell; and
- (c) how the costs of research and development expenses are charged out and how much revenue was generated from the testing of the prismatic cell on a contractual basis. To also quantify and disclose the terms of the contract and the expenses that will have to be incurred and borne by each of Morrow Batteries and EoCell respectively.

Response to SGX Query 1

- (a) As announced on 14 March 2022, EoCell has entered into a Master Development Agreement on 2 February 2022 (the "**Agreement**") with Morrow Batteries AS. The revenue was generated from the work done under this Agreement.
- (b) The increase in operating expenses were mainly related to the incremental headcounts and laboratory expenses (such as supplies and utilities) in respect of the new Cylindrical Pilot Line for the development of Cylindrical Battery Cells.
- (c) The EoCell's revenue generated from service rendered to Morrow Batteries AS ("**Morrow**") in relation to the Agreement was US\$1.9 million and US\$2.2 million for 1H2022 and 1H2023 respectively and the cost of service was US\$1.4 million and US\$1.6 million for 1H2022 and 1H2023 respectively. The Agreement entered between Morrow and EoCell is an agreement between two private companies bound by a confidentiality agreement that restricts the release of public information without the consent of both parties. Details of the terms of the contract have not been disclosed in public other than information outlined in their Joint Press Release.

SGX Query 2

In relation to the Company's response to Query 5, please disclose:

- (a) the full name of Kobelco;
- (b) a breakdown of the type of plant and machinery purchased from each of Exis Tech Sdn Bhd, Kobelco and Vitrox Technologies Sdn Bhd, and disclose the increase in capacity arising from the purchase of each of these plants and machinery; and
- (c) when were the orders placed, the dates of payments made and the dates the plants and machinery were delivered.

Response to SGX Query 2

- (a) The full name of Kobelco is **Kobelco Compressors and Machinery Philippines Corporation**.
- (b) Please refer to table in (c) below for type of machinery.

Exis Tech – Conversion kits are basically used for changing the package type in the tape and reel services in Telford Philippines, since there are various package types that Telford Philippines process. These conversion kits can be used to convert or do some product mix of packages.

Kobelco/Top Team Generation – Facility upgrades to support key customer's expansion, which will produce an estimated 200 million units per quarter or with an estimated additional revenue of USD2.2 million per year.

- (c) Please see table below:

Supplier name	Type of plant & machinery	Date of order	Date of payment	Date of delivery
Exis Tech Sdn Bhd	Conversion Kit	Various dates	Various dates	Various dates
Kobelco Compressors and Machinery Philippines Corporation	Compressor	18/10/2022	17/7/2023, 9/8/2023	24/4/2023
TopTeam Power Generation Inc.	Power Generator	16/11/2022	1/12/2022, 5/5/2023	27/4/2023
Vitrox Technologies Sdn Bhd.	Software Upgrade	23/5/2023	18/8/2023	27/6/2023

By Order of the Board
ASTI Holdings Limited

Prof Dr. Kriengsak Chareonwongsak
Non-Executive Chairman
31 August 2023