



ASTI Holdings Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 199901514C)

MATERIAL VARIANCES BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FULL YEAR FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

The Board of Directors (the “**Board**”) of ASTI Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its audited financial statements for the financial year ended 31 December 2021 (“**FY2021**”) in the Group’s Annual Report 2021 (the “**Audited Financial Statements**”) and the announcement on Condensed Interim Financial Statement for FY2021 made on 1 March 2022 (the “**Unaudited Financial Statements**”).

The Board wishes to announce that subsequent to the release of the Unaudited Financial Statement, the external auditor has proposed certain adjustments and reclassifications following the finalisation of the audit for FY2021.

The material variance between the Group’s Audited Financial Statements and the Unaudited Financial Statements is set out below:

Balance Sheet of the Group as at 31 December 2021

| | Audited Financial Statements | Unaudited Financial Statements | Difference |
|---|---------------------------------|--------------------------------------|------------------------|
| | \$’000 | \$’000 | \$’000 |
| Non-Current Assets | | | |
| Property, plant and equipment | 21,302 | 20,961 | 341 ⁽¹⁾ |
| Investment in associates | 19,788 | 6,862 | 12,926 ⁽²⁾ |
| Amounts due from associates | 5,580 | – | 5,580 ⁽³⁾ |
| | | | |
| Current Assets | | | |
| Due from associates | 17 | 9,512 | (9,495) ⁽³⁾ |
| Due from related companies | – | 2,435 | (2,435) ⁽⁴⁾ |
| Trade receivables | 11,027 | 11,246 | (219) ⁽⁵⁾ |
| Other receivables | 853 | 811 | 42 ⁽⁶⁾ |
| Cash at bank and on hand | 23,849 | 23,727 | 122 ⁽⁷⁾ |
| Assets held for sale | – | 463 | (463) ⁽¹⁾ |
| | | | |
| Current Liabilities | | | |
| Provisions | 100 | 115 | (15) ⁽⁸⁾ |
| Trade payables and accruals | 13,396 | 12,572 | 824 ⁽⁹⁾ |
| Other payables | 5,618 | 5,997 | (379) ⁽¹⁰⁾ |
| Lease liabilities | 1,197 | 1,115 | 82 ⁽¹¹⁾ |
| Liabilities directly associated as assets held for sale | – | 2,111 | (2,111) ⁽¹⁾ |
| | | | |
| Non-Current Liabilities | | | |
| Lease liabilities | 1,251 | 1,068 | 183 ⁽¹¹⁾ |
| Long term payables | 2,530 | 659 | 1,871 ⁽¹²⁾ |
| | | | |
| Equity attributable to owners of the Company | | | |
| Foreign currency translation reserve | 614 | 556 | 58 ⁽¹³⁾ |
| Accumulated losses | (51,508) | (51,221) | (287) ⁽¹⁴⁾ |
| Non-controlling interests | (8,051) | (14,224) | 6,173 ⁽¹⁵⁾ |



The variances were caused by:

- (1) The reclassification of assets held for sale and liabilities directly associated as assets held for sale to respective line of items;
- (2) The adjustment on higher valuation from investment in associates;
- (3) The reclassification of amount due from associates from current to non-current and impairment on the amount due from associates;
- (4) The impairment on the amount due from related companies;
- (5) The adjustment of IFRS 9 expected credit losses on trade receivables;
- (6) The adjustment on additional receivables arising from one of the subsidiaries;
- (7) The adjustment on cash balances arising from one of the subsidiaries;
- (8) The reversal of prior year provision on restructuring costs;
- (9) The adjustment on additional audit fees in relation to FY2021 audit;
- (10) The reversal of prior year accrual of staff cost and sundry creditors;
- (11) The additional lease liabilities arising from reassessment in one of the subsidiaries;
- (12) The adjustment due to reassessed payables upon finalisation of a subsidiary's financial results;
- (13) The adjustment due to reassessed reserve upon finalisation of a subsidiary's financial results;
- (14) The adjustment arising from the changes in profit or loss statement; and
- (15) The adjustment arising from the changes in the NCI share in the related associate companies.

Income Statement of the Group as at 31 December 2021

| | Audited Financial Statements | Unaudited Financial Statements | Difference |
|--|------------------------------|--------------------------------|-----------------------|
| | \$'000 | \$'000 | \$'000 |
| Cost of sales ("COGS") | (38,755) | (38,615) | (140) ⁽¹⁶⁾ |
| Other income | 1,215 | 1,200 | 15 ⁽¹⁶⁾ |
| Marketing and distribution | (1,484) | (1,531) | 47 ⁽¹⁷⁾ |
| Administrative expenses | (16,204) | (15,764) | (440) ⁽¹⁸⁾ |
| Other (expenses)/income, net | (6,241) | (12,585) | 6,344 ⁽¹⁹⁾ |
| Finance costs, net | (139) | (136) | (3) ⁽²⁰⁾ |
| Share of results of associates, net of tax | (3,119) | (3,137) | 18 ⁽²¹⁾ |

The variances were caused by:

- (16) The additional cost and income upon finalisation of a subsidiary's financial results;
- (17) The adjustment on reclassification of director's remuneration for clarity;
- (18) The adjustment on the additional audit fees costs incurred by the Group;
- (19) The adjustment on the provision for allowance on amounts due from associate;
- (20) The adjustment on the interest arising from leases upon finalisation of a subsidiary's financial results; and
- (21) The adjustment on the associates' results.



Cash Flow Statement of the Group as at 31 December 2021

| | Audited Financial Statements | Unaudited Financial Statements | Difference |
|--|------------------------------------|--------------------------------------|--------------------------|
| | \$'000 | \$'000 | \$'000 |
| Loss before taxation | (10,585) | (16,426) | 5,914 ⁽²²⁾ |
| Depreciation of property, plant and equipment | 6,126 | 6,014 | 112 ⁽²³⁾ |
| Depreciation of right-of-use assets | 1,237 | 1,210 | 27 ⁽²³⁾ |
| (Gain)/loss on disposal of property, plant and equipment | (28) | 525 | (553) ⁽²³⁾ |
| Impairment loss on property, plant and equipment | 348 | 127 | 221 ⁽²³⁾ |
| Impairment loss on right-of-use assets | 231 | – | 231 ⁽²³⁾ |
| Impairment loss on investment in associates | – | 12,789 | (12,789) ⁽²⁴⁾ |
| Allowance on trade receivables | 239 | 17 | 222 ⁽²⁵⁾ |
| Allowance on amounts due from related company | 3,033 | 621 | 2,412 ⁽²⁵⁾ |
| Allowance/(Write-back) of amounts due from associates | 3,917 | – | 3,917 ⁽²⁵⁾ |
| Restructuring | (5) | 9 | (14) ⁽²⁶⁾ |
| Share of results of associates | 3,119 | 3,137 | (18) ⁽²⁷⁾ |
| Interest expense | 394 | 391 | 3 ⁽²⁸⁾ |
| Advance from customer written off | (166) | (150) | (16) ⁽²⁹⁾ |
| Effects of exchange loss | (149) | (123) | (24) ⁽³⁰⁾ |
| Changes in working capital - receivables | 203 | 180 | 33 ⁽²⁷⁾ |
| Changes in working capital - payables | (1,806) | (2,211) | 330 ⁽³¹⁾ |
| Interest paid | (312) | (309) | (3) ⁽²⁸⁾ |
| Proceeds from disposal of property, plant and equipment | 150 | 440 | (290) ⁽²³⁾ |
| Purchase of property, plant and equipment | (5,494) | (5,786) | 832 ⁽²³⁾ |
| Payment of principal portion of lease liabilities | (1,340) | (1,343) | 3 ⁽²⁸⁾ |

The variances were caused by:

- (22) The reassessed profits and losses amount upon finalisation of the Company's and a subsidiary's financial results;
- (23) The reclassification of depreciation expenses, impairment losses, proceeds, purchases and disposals on property, plant and equipment and right-of-use assets upon finalisation of the Group's financial results;
- (24) The adjustment on reversal of impairment loss on investment in associate upon finalisation of the Group's financial results;
- (25) The adjustment on additional expected credit losses allowance on amounts due from trade receivables, related company and associates upon finalisation of the Group's financial results;
- (26) The adjustment on the restructuring provision upon subsequent year's provision movement;
- (27) The adjustment on share of results of associates upon finalisation of the associates' financial results;
- (28) The reclassification of interest arising from lease liabilities;
- (29) The adjustment advances upon subsequent year's movement;
- (30) The adjustment on exchange loss upon finalisation of Group's financial results; and
- (31) The adjustment on the additional audit fees incurred by the Group.

By Order of the Board

Dr. Kriengsak Chareonwongsak
 Non-Executive and Non-Independent Chairman
 ASTI Holdings Limited
 16 August 2023