



ASTI Holdings Limited

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

UPDATE ANNOUNCEMENT

Introduction

1. The Board of Directors (the “**Board**”) of the ASTI Holdings Limited (“**Company**”, and together with its subsidiaries, collectively the “**Group**”) refers to the announcements made by the Company on 18 December 2017, 20 March 2018, 2 April 2018, 9 April 2018, 27 July 2018, 3 September 2018, 26 September 2018 and 15 April 2019 (the “**Announcements**”) and the circular to the shareholders (the “**Shareholders**”) dated 12 July 2018 (the “**Circular**”), in relation to the Company’s proposed disposal (the “**Proposed Disposal**”) of the entire issued and paid-up share capital of its wholly-owned subsidiary, Semiconductor Technologies & Instruments Pte Ltd (“**STI SG**”). As the Proposed Disposal has since completed on 26 September 2018, STI SG is no longer a subsidiary of the Company.
2. Unless otherwise defined herein, capitalised terms used herein shall bear the same meaning ascribed to them in the Circular.
3. The Board wishes to inform the Shareholders that:
 - (a) the Company has entered into an assignment and assumption agreement dated 3 September 2018 with Shanghai Pudong Science And Technology Investment Co., Ltd. (“**PDSTI**”) and Hangzhou Changxin Investment Management Co., Ltd. (“**HZCX**”), wherein PDSTI’s rights to the share and purchase agreement between the Company and PDSTI dated 30 March 2018 (“**SPA**”) were assigned and transferred by PDSTI to HZCX (the “**HZCX Assignment Agreement**”);
 - (b) the Company has also entered into a second assignment and assumption agreement dated 30 March 2019 with HZCX and Hangzhou Changchuan Technology Co., Ltd. (“**HZCC**”), wherein HZCX’s rights to the SPA are now assigned and transferred to HZCC (together with the HZCX Assignment Agreement, the “**Assignment Agreements**”);
 - (c) the aggregated amount of profits (before payment of taxes) of the STI Group in 2018 and 2019 is less than the Target Profits, by a Shortfall of S\$2,118,334;
 - (d) a side letter to the SPA (as assigned pursuant to the Assignment Agreements) between the Company, HZCX and HZCC has been entered into on 6 March 2020 (the “**Side Letter**”). Pursuant to the Side Letter, the Company, HZCX and HZCC have agreed that notwithstanding the provisions of the SPA (read with the Assignment Agreements) in relation to the Profit Guarantee as referenced in Section 3.2.5(iii) of the Circular, the Company and HZCC shall jointly instruct the Escrow Agent to release an amount equal to the Shortfall to the bank account of HZCC, and the remaining amount of the balance Third Payment less the Shortfall to the bank account of ASTI; and
 - (e) accordingly, the Shortfall of S\$2,118,334 shall be released to the bank account of HZCC, and the remaining amount of the balance Third Payment less the Shortfall (being S\$2,381,666) shall be released to the bank account of ASTI.
4. The Company will release further announcements as and when there are material developments on this matter.

By Order of the Board

Dato’ Michael Loh Soon Gnee
Executive Chairman & Chief Executive Officer
ASTI Holdings Limited
18 March 2020