

## **ASTI Says Its Directors Cannot Postpone At Will Legally Sanctioned FY2021 AGM; Delay Requested By Requisitioners May Jeopardise Potential Exit Offer**

**Singapore, 27 August 2023** – Four shareholders taking legal action to overhaul the board of ASTI Holdings (“ASTI” or the “Company”) are now seeking to postpone a key shareholder meeting to be held on 31 August 2023. But the Company said today that it must abide by a Singapore Exchange (“SGX”) directive to proceed so as to satisfy the requirements of Singapore law, and stressed that a delay may jeopardise a potential exit offer.

ASTI said it had received after office hours last Friday a letter from lawyers for the 4 asking to postpone the FY2021 Annual General Meeting (“FY2021 AGM”). These Requisitioning Shareholders have threatened to apply to ‘enjoin’ the meeting, by filing with the Singapore High Court an application under the legal proceedings they lodged last week.

Lawyers for the 4 shareholders – Mr Ng Yew Nam, Mr Lim Chee San, Mr Toh Cheng Hai and Mr Ng Kok Hian – had on 23 August 2023 filed proceedings which named ASTI’s 5 incumbent directors and the Company itself as defendants. On the same day, ASTI’s lawyers lodged their own court proceedings against 8 defendants – the 4 Requisitioning Shareholders, and the persons who claim to have been appointed as Directors of the Company.

The 4 had called for and held an extraordinary general meeting on 22 August 2023 (“Purported 22 August EGM”) during which they ‘appointed’ 5 new directors, including Mr Ng Yew Nam as incoming Executive Director. ASTI has said that the calling of this EGM and the EGM itself are invalid.

ASTI, which recently released its audited results for FY2021, instead urged the requisitioners to join other shareholders at the FY2021 AGM when 4 of 5 current directors are due for re-election anyway. ASTI pointed out that the 4 shareholders could have nominated their candidates to stand for election for appointment as directors at the FY2021 AGM. But as at the 19 August 2023 deadline to propose candidates, no such nominations had been received by the Company.

ASTI’s FY2021 audited results had been delayed due to the valuation of an associated company involved in battery technology, EoCell. ASTI recorded a third consecutive year of losses in FY2021 but returned to profit in FY2022 after a major restructuring that involved retrenchments at ASTI and at a major subsidiary, ceasing loss-making units, downsizing corporate and administrative functions, and relocating to a smaller office.

Despite the turnaround, it could not exit the SGX-ST Watch-list by the 5 June 2022 deadline as its 6-month average daily market capitalisation was below S\$40 million. In view of the directed delisting, it said the best option for shareholders is to receive and consider a pre-conditional voluntary general cash offer (“Potential Exit Offer”) that has been received by the Company.

The Potential Exit offer is being proposed by Prospera Alliance Pte. Ltd (“Prospera”), a consortium backed by Stock Exchange of Thailand-listed Capital Engineering Network Public Company Limited (“CEN”) and a substantial ASTI shareholder, Mr Heah Theare Haw.

In its announcement today, SGX Mainboard-listed ASTI, which provides services for back-end tape and reel packaging and integrated circuit programming for the semiconductor sector, primarily out of the Philippines, said:

- (i) 31 August 2023 is the last possible day to hold the FY2021 AGM so that the Company can satisfy a Notice of Compliance issued by the SGX on 21 July 2023; hence, the Company is not in a position to delay the meeting.
- (ii) By this latest request conveyed by their lawyers, the requisitioners are not disputing that the FY2021 AGM was properly and validly called. “In short, the holding of the FY2021 AGM satisfies the legal requirement of holding an Annual General Meeting of the Company,” ASTI said.
- (iii) Any postponement of the FY2021 AGM will have a ‘domino effect’ of delaying the release of the FY2022 accounts, the FY2022 AGM as well as the release of the unaudited 9-month results for FY2023. This in turn could lead to breaches of the Letter of Intent between the Company and Prospera.
- (iv) The FY2022 AGM has been scheduled for 31 October 2023, at which the requisitioners will, again, have the opportunity to participate and put forward their proposals.
- (v) As a general meeting of the Company which has been properly called, the FY2021 AGM cannot be “postponed” at will by the Directors of ASTI.
- (vi) It ‘appealed to the good sense’ of the requisitioners to abide by legal obligations and to avoid ‘grave damage and injury’ that their actions may cause to ASTI and the Potential Exit Offer. But if the requisitioners still insist, ASTI’s lawyers would require the necessary notification and service of all relevant papers without any delay.

Any ‘postponement’ “will not only be detrimental but also gravely and irreversibly prejudice the interests of the Company, not to mention the financial well-being of the general body of its shareholders who, if they were made an exit offer, will have the opportunity to dispose their shares before the final de-listing of the Company,” ASTI said.

In the meantime, ASTI said it is ‘business as usual’, and all 5 current directors – Dr. Kriengsak Chareonwongsak, Mr Anthony Loh Sin Hock, Dato’ Sri Mohd Sopiyan B Mohd Rashdi, Mr Theerachai Leenabanchong and Mr Charlie Jangvijitkul – remain in charge of its businesses, assets and staff.

ASTI has considered recent events including how requisitioners had shut out current directors from a shareholders dialogue they organised but showed up for one organised by the Company a few days later; their refusal to clarify comments given to the media about a potential rival exit offer, and the recent actions to proceed with an invalid EGM and to now attempt to postpone the long-awaited and legally-required FY2021 AGM.

“The Directors express their collective disappointment that the Requisitioning Shareholders have repeatedly spurned a discussive spirit and have been less than forthcoming on these important matters. We continue to urge them to place shareholder interests as a top priority,” ASTI said.

It reminded all shareholders to attend and to exercise their voting rights on 31 August 2023.

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