



ASTI to Unlock Value by Potential Disposal of Its Wholly-Owned Subsidiaries, forming STI Group, for S\$100 Million

- **The potential buyer, Shanghai Pudong Science and Technology Investment Co., Ltd, is a Chinese investment company focused on domestic and cross-border investments in integrated circuit, health care and other high-tech industries**
- **An opportunity to realize the value that ASTI built in STI over years**
- **Potential to substantially increase ASTI's cash balance and shareholder value, for it to grow and strengthen its other businesses and explore investment opportunities**

Singapore, December 18, 2017 - ASTI Holdings Limited ("**ASTI**" or the "**Group**"), an SGX-mainboard listed company providing integrated range of services comprising Backend Equipment Solutions & Technologies ("**BEST**") and Services in the semiconductor industry, announced today that it has entered into a term sheet with Shanghai Pudong Science and Technology Investment Co., Ltd. ("**PDSTI**"), in relation to PDSTI's potential acquisition of the entire issued and paid-up share capital of several wholly-owned subsidiaries¹ of ASTI (collectively known as **STI Group**).

STI Group designs, builds and markets semiconductor manufacturing equipment used in the production of Integrated Circuits ("**IC**"), which are widely used in industries such as automotive, communications, consumer electronics, data processing and aerospace. With a broad spectrum of quality products, STI Group has been profitable over the past few years.

PDSTI, established in 1999 in Shanghai, the People's Republic of China, is an investment company currently focused on domestic and cross-border investments in integrated circuit, health care and other high-tech industries, with a current registered capital of RMB 3 billion. Its shareholders include Shanghai HTY Venture Investment Partnership (Limited Partnership), Shanghai Shangshi Asset Management Co., Ltd., and Shanghai Pudong Investment Holding Co., Ltd.

¹ The subsidiaries include: (a) Semiconductor Technologies & Instruments Pte Ltd ("**STI SG**"); (b) Semiconductor Technologies & Instruments SdnBhd ("**STI Msia**"); (c) Semiconductor Technologies & Instruments Phils., Inc ("**STI Phils**"); (d) Semiconductor Technologies & Instruments (Taiwan), Inc. ("**STI TW**"); and (e) STI Tech Korea Co., Ltd ("**STI Korea**")



ASTI and PDSTI will have exclusive negotiation for 60 days from the effective date of the term sheet. The indicative consideration for the transaction is S\$100 million, subject to net debt and net working capital adjustments. In comparison, ASTI has a current market capitalization of approximately S\$60 million as at December 18, 2017.

DATO' Michael Loh Soon Gnee, Executive Chairman & CEO of ASTI, comments, "*ASTI has valuable assets and technologies in our subsidiaries, and it's encouraging to see these value being recognized by investors. STI Group has been an important part of our business with good profit contributions and the potential M&A would unlock the value that we have built over years.*"

While ASTI is financially and technologically adequate in its current position, the transaction would substantially increase our cash balance and shareholder value. The new robust balance sheet will give all our business units the necessary working capital and resources to explore more opportunities and achieve accelerated growth in future."

ASTI has previously entered into a non-binding negotiation with China Fortune-Tech Capital Co., Ltd. regarding the disposal of STI Group. As ASTI didn't deem the terms and conditions and the offer feasible to the Group, it has called off that exclusivity and opened the option to other potential buyers.

- The End -

About ASTI Holdings Limited (SGX: 575)

Listed on the mainboard of the Singapore Exchange, ASTI Holdings Limited is a company uniquely positioned to serve the needs of the semiconductor industry. Under the umbrella of the ASTI Group of companies, we provide an integrated range of services comprising Backend Equipment Solutions & Technologies ("BEST") and Services.

A leader in the manufacture of semiconductor equipment, we research, design, develop and manufacture semiconductor equipment for customers. Further enhancing our manufacturing capabilities are our equipment contract manufacturing services, which manufacture precision parts, modules and standalone equipment assembly. Ranked amongst the world's leading semiconductor manufacturing services providers, we strive to continually deliver world-class services to our customers to help them optimise their resource utilisation. We also design and develop advanced packaging solutions for semiconductors, targeting the mobility and 3C convergent markets.

Globally, ASTI has 4 research and development centres, 14 factories and 29 sales offices. Our operations are located in Southeast Asia, Greater China, Korea, the United States of America and the United Kingdom. We have a library of more than 100 patents in vision systems, semiconductor assembly technologies and electromechanical systems.



ASTI Holdings Limited

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

Through our extensive geographical network, we are able to provide distribution services across many countries in Asia. In aggregate, the ASTI Group of companies has the ability to offer a suite of integrated and synergistic solutions to our customers. ASTI has a controlling equity interest in Dragon Group International Limited (“Dragon Group” or “DGI”) and Advanced Systems Automation Limited (“ASA”). The shares of both DGI and ASA are quoted on the Singapore Exchange.

For more information, please visit our website at www.astigp.com

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