



ASTI Holdings Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 199901514C)

(the "Company")

CLARIFICATION ANNOUNCEMENT

1. The board of directors (the "**Board**") of ASTI Holdings Limited (the "**Company**" and together with its subsidiaries, collectively the "**Group**") refers to its announcement dated 22 December 2021.
2. There has been an online article written by Professor Mak Yuen Teen ("**Professor Mak**") on whether the payment of S\$1,378,270 to Dato' Michael Loh Soon Gnee ("**Dato' Loh**") in relation to his retrenchment as Chief Executive Officer ("**CEO**") is in compliance with S168(1A) of the Companies Act and the Company's own remuneration policy. Specifically, Professor Mak noted that the termination payment to Dato' Loh was larger than the total amount of remuneration of S\$1,294,000 paid to Dato' Loh in FY2020 as disclosed in the Annual Report. Professor Mak also suggested that the current contractual entitlement for payment in light of the termination is not in line with the Company's remuneration policy that there are no termination benefits provided for in the employment contracts with the Board, CEO or top five key management personnel.
3. The Company would like to clarify that the aggregate amount of S\$1,378,270 paid to Dato' Loh as part of his termination does not exceed the threshold stipulated under Section 168(1A) of the Companies Act. In FY2020, the Company had previously only paid Dato' Loh one month of AWS although his employment contract clearly stipulated that he is entitled to two months of AWS. As a result of this clerical error, the total amount of remuneration paid to Dato' Loh was in accordance with the remuneration table in the Company's annual report for the year ended 31 December 2020 which is stated to be \$1,294,000. After this error was noted, the Company paid the full AWS amount due to Dato' Loh such that the total aggregate amount actually paid to Dato' Loh is S\$1,378,270 (when his two months of AWS is properly factored in). The amount paid to Dato' Loh as part of his retrenchment hence does not exceed the threshold stipulated under Section 168(1A) of the Companies Act.
4. Separately, the Company notes that it previously stated that in the Corporate Governance Report dated 14 May 2021 ("**CG Report**") that "there are no termination, retirement or post-employment benefits provided for in the employment contracts with the Directors, CEO or top five key management personnel" and this is in line with the Company's employment contracts in previous years which did not provide for a clause on termination benefits. However, Dato' Loh's employment contract dated 8 August 2020 does contain a clause on termination benefits, and due to an inadvertent oversight, the Company has erred in not updating the same in the CG Report.

By Order of the Board

Dr Daniel Yeoh Ghee Chong
Lead Independent
ASTI Holdings Limited
30 December 2021