



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

- (1) **POTENTIAL IMPACT OF THE AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022 ("FY2022") OF SUBSIDIARY ON THE AUDIT OF THE COMPANY'S FINANCIAL STATEMENTS FOR FY2022;**
 - (2) **RECEIPT OF NOTICE OF CESSATION OF POTENTIAL EXIT OFFER AND EFFORTS TO SEEK OTHER POTENTIAL EXIT OFFERS**
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The Board of Directors (the "Board") of ASTI Holdings Limited ("Company" and together with its subsidiaries, the "Group") wishes to announce the following:

- 1) Potential Impact of Audited Financial Statements of DGI on the Audit of the Company's Financial Statements for FY2022

The Board has assessed the potential impact of the audited financial statements for the financial year ended 31 December 2022 ("FY2022") of its subsidiary Dragon Group International Limited ("DGI"), which was announced by DGI on 24 October 2023. The Board noted that while Ernst & Young LLP ("EY") had issued a disclaimer of opinion in DGI's FY2021 financial statements with regards to the going concern assumption and the valuation of EoCell, Inc. ("EoCell"), Messrs RT LLP ("RT") has issued a disclaimer which only relates to the going concern assumption in DGI's financial statements for FY2022, as the valuation for EoCell was completed by the appointed valuer for the FY2022 audit.

In view of the above, the Directors anticipate that there should be no significant factors which might affect the audit process and signing off of the audited financial statements of the Company for FY2022.

The Board also notes that in view of the retirement of EY as Auditor of the Company upon the conclusion of the Annual General Meeting ("AGM") called on 16 August 2023 (the "FY2021 AGM"), the Company will have no Auditor to conduct the audit and to sign off on the Company's audited financial statements for FY2022. This is because, at the initial portion of the FY2021 AGM which was conducted on 31 August 2023, the Directors had tabled Resolution No. 7 to appoint RT as Auditor of the Company and subject to the resolution of Singapore High Court proceedings HC/OA 855/2023, to authorise the Directors of the Company to fix their remuneration. However, this Resolution was not carried as shareholders representing 52.27% of the shares voted against compared to the 47.73% who voted for. If the Auditor had been appointed by this Resolution, the Company's audited statements for FY2022 would likely be finalised and signed off reasonably shortly thereafter.

- 2) Receipt of Notice of Cessation of Potential Exit Offer and Efforts to Seek Other Potential Exit Offers

The Board also draws attention to the Company's announcement today titled "Cessation of Potential Offer", which informed of the receipt late on 23 October 2023 of the Cessation Letter from the Potential Offer Consortium and the Potential Offeror. The Potential Offer Consortium and the Potential Offeror had stated that their decision was made in view of the fact that the Company's audited FY2022 financial statements were not prepared by 30 September 2023 and that it was unclear when these statements would be issued.

As mentioned above, Resolution No. 7 (i.e. to appoint RT as Auditor) was not carried on 31 August 2023 when voted on at the FY2021 AGM. Without an Auditor being appointed, the Company is not, at this time, in a position to write to the Potential Offer Consortium and the Potential Offeror to assure them of the timing when the audited FY2022 financial statements are likely to be available. As such, and subject to the outcome of the Legal Proceedings (as announced by the Company on 23 October 2023), the Board intends to put up another Resolution to shareholders to appoint the Auditor as soon as permissible. Assuming that a new Auditor is appointed, the Board is confident that the audited FY2022 financial statements can be finalised and signed off reasonably soon thereafter.

Meanwhile, the Board will engage with the Potential Offer Consortium and the Potential Offeror to clarify the scope and the implications of their decision not to pursue the Potential Exit Offer. The Board will also seek other potential Exit Offers.

The Board thanks shareholders for their patience and will make further announcements on any material development.

The shares in the Company have been suspended from trading on the Singapore Exchange Securities Trading Limited since 5 July 2022.

Shareholders are advised to exercise caution when dealing or trading in the shares of the Company, Shareholders are advised to read this Announcement, previous announcements, and any further announcements by the Company carefully. When in doubt as to the action they should take, shareholders should consult their stock brokers, bank managers, solicitors, accountants or other professional advisers.

ASTI HOLDINGS LIMITED

Dr. Kriengsak Chareonwongsak
Non-Executive and Non-Independent Chairman
25 October 2023

This announcement has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this announcement, including the correctness of any of the statements or opinions made, or reports contained in this announcement.