



**ASTI Holdings Limited**

(Incorporated in the Republic of Singapore)

(Company Registration No. 199901514C)

**MATERIAL VARIANCE BETWEEN UNAUDITED FINANCIAL STATEMENTS AND AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

The Board of Directors (the “**Board**”) of ASTI Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) refers to its audited financial statements for the financial year ended 31 December 2024 (“**FY2024**”) in the Group’s Annual Report 2024 (the “**Audited Financial Statements**”) and the announcement on the Unaudited Financial Statements FY2024 made on 28 February 2025 (the “**Unaudited Financial Statements**”).

The Board wishes to announce that subsequent to the release of the Unaudited Financial Statements, the external auditor has proposed certain adjustments and reclassifications following the finalisation of the audit for FY2024.

The material variance between the Group’s Audited Financial Statements and the Unaudited Financial Statements is set out below:

**Balance Sheet of the Group as at 31 December 2024**

	Audited Financial Statements	Unaudited Financial Statements	Difference	Difference
	\$'000	\$'000	\$'000	%
<b>Non-Current Assets</b>				
Property, plant and equipment	17,153	17,456	(303) <sup>(1)</sup>	(2%)
Deferred tax assets	176	43	133 <sup>(2)</sup>	>100%
Other receivables	1,328	2	1,326 <sup>(3)</sup>	>100%
<b>Current Assets</b>				
Other receivables	1,222	3,371	(2,149) <sup>(2),(3),(4)</sup>	(64%)
<b>Equity</b>				
Foreign currency translation reserve	(372)	(11,810)	11,438 <sup>(5)</sup>	(97%)
Accumulated losses	(84,666)	(72,862)	(11,804) <sup>(5)</sup>	16%
Non-controlling interests	(6,152)	(5,824)	(328) <sup>(5)</sup>	6%
<b>Non-current Liabilities</b>				
Deferred tax liabilities	317	395	(78) <sup>(2)</sup>	(20%)
Lease liabilities	267	406	(139) <sup>(6)</sup>	(34%)
Provisions	764	843	(79) <sup>(7)</sup>	(9%)
<b>Current Liabilities</b>				
Lease liabilities	419	544	(125) <sup>(6)</sup>	(23%)
Trade payables and accruals	4,695	4,376	319 <sup>(8)</sup>	7%
Other payables	697	992	(295) <sup>(9)</sup>	(30%)
Income tax payable	249	205	44 <sup>(2)</sup>	21%

The variances were primarily due to:

- (1) The additional adjustments on the disposal of certain property, plant and equipment due to re-assessment of right-of-use assets upon finalisation of a subsidiary's financial results;
- (2) The adjustments made to the reassessed deferred tax assets, deferred tax liabilities, income tax recoverable (under other receivables) and income tax payable upon finalisation of a subsidiary's financial results;
- (3) The reclassification of other receivables from current assets to non-current assets;
- (4) The adjustments made to the income tax recoverable and adjustment to the provision for expected credit loss ("ECL") allowance on other receivables pertaining to liquidation of a subsidiary, Dragon Group International Limited ("DGI");
- (5) The adjustments made to the foreign currency translation reserves, accumulated losses and Non-controlling Interests as a result of the liquidation of DGI;
- (6) The adjustments on the reassessed lease liabilities upon finalisation of a subsidiary's financial results;
- (7) The adjustment made on the movement in the provision for defined benefits upon finalisation of the provision computation;
- (8) The adjustment on the additional payroll accrued for the financial year; and
- (9) The adjustment is due to the reversal of FY2023 director fees which were not approved by shareholders at the FY2023 AGM.

#### **Income Statement of the Group as at 31 December 2024**

	Audited Financial Statements	Unaudited Financial Statements	Difference	Difference
	\$'000	\$'000	\$'000	%
Other income	1,926	832	1,094 <sup>(10)</sup>	>100%
Administrative expenses	(9,612)	(9,836)	224 <sup>(11)</sup>	(2%)
Other losses, net	(3,289)	(2,038)	(1,251) <sup>(12)</sup>	61%
Addition of loss allowance	(16,081)	-	(16,081) <sup>(13)</sup>	(>100%)
<b>Loss before income tax from continuing operations</b>	(24,329)	(8,285)	(16,044) <sup>(10)-(13)</sup>	>100%
Income tax expense	(197)	(190)	(7) <sup>(2)</sup>	4%
<b>Loss from continuing operations</b>	(24,526)	(8,475)	(16,051) <sup>(10)-(13)</sup>	>100%
Profit/(Loss) for the year from discontinued operations, net of tax	5,605	(600)	6,205 <sup>(14)</sup>	>100%
<b>Loss for the year</b>	(18,921)	(9,075)	(9,846) <sup>(10)-(14)</sup>	>100%

The variances were primarily due to:

- (10) The reclassification of gain on disposal of other investment and gain on disposal of property, plant and equipment from other losses, net to other income;
- (11) The adjustment on reversal of director fees, overseas travel expenses, payroll accrual for the financial year and movement from provision for defined benefits;
- (12) The reclassification of gain on disposal of other investment and gain on disposal of property, plant and equipment to other income;
- (13) The adjustment relating to the remeasurement of loss allowance arising from the deconsolidation of DGI and its subsidiaries and reversal of loss allowance of Advanced Systems Automation Limited in one of the subsidiaries; and
- (14) The adjustments relating to reversal of past reserves pertaining to liquidation of DGI.

**Cash Flow Statement of the Group as at 31 December 2024**

	Audited Financial Statements	Unaudited Financial Statements	Difference	Difference
	\$'000	\$'000	\$'000	%
Net cash flows generated from operating activities	4,782	4,622	160 <sup>(15-22)</sup>	3%
Net cash flows generated from investing activities	1,615	1,157	458 <sup>(23)</sup>	40%
Net cash flows used in financing activities	(4,634)	(2,496)	(2,138) <sup>(24-25)</sup>	86%
Net increase in cash and cash equivalents	1,763	3,283	(1,520) <sup>(15-25)</sup>	(46%)

The adjustments and reclassifications resulted a lower net increase in cash and cash equivalents of S\$1.5 million, however the ending cash balance remained the same at S\$23.0 million. The variances were primarily due to:

- (15) The depreciation and impairment loss on property, plant and equipment upon finalisation of financial results;
- (16) The adjustment made on allowance of stock obsolescence and amounts due from associate;
- (17) The adjustment made on gain on liquidation of DGI;
- (18) The adjustments on allowance on other receivables due to liquidation of DGI;
- (19) The adjustments made to inventories due to adjustment on stock obsolescence allowance upon finalisation of financial results;
- (20) The adjustments made to trade, other receivables upon finalisation of financial results;
- (21) The adjustments made to trade, other payables upon finalisation of financial results;
- (22) The adjustment on exchange differences and the movement in working capital upon finalisation of Group's financial results;
- (23) The adjustment on the proceeds of disposal of property, plant and equipment upon finalisation of a subsidiary's financial results;
- (24) The reclassification of repayment of loan from a former associate disclosed in financing activities to other receivables disclosed in operating activities; and
- (25) The reclassification of lease liabilities and bank payment.

By Order of the Board

Ng Yew Nam  
Chairman & CEO  
ASTI Holdings Limited  
31 July 2025