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

INTERESTED PERSON TRANSACTION ("IPT")

INTRODUCTION

1. The Board of Directors (the "**Board**") of ASTI Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") has approved the award of an aggregate sum of S$2.182 million, representing 6% of the Company's Profits Before Tax in the financial year ended 31 December 2018] ("**FY2018**"), as a one-off bonus (the "**Bonus**") to Dato' Michael Loh Soon Gnee ("**Dato' Michael**").

INTERESTED PERSON TRANSACTION

2. Rule 905(1) of the SGX-ST Listing Manual provides if that an issuer must make an immediate announcement of any interested person transaction of a value equal to, or more than, 3% of the group's latest audited net tangible assets.

3. Based on the FY2018 audited consolidated financial statements of the Group, the Bonus represents approximately 3.5% of the Group's latest audited consolidated net tangible assets. Further, as at the date of this announcement, Dato' Michael is the Chief Executive Officer and Executive Chairman of the Company, and is therefore regarded as an "interested person" of the Company under Chapter 9 of the SGX-ST Listing Manual.

4. Consequently, the award of the Bonus to Dato' Michael constitutes an "interested person transaction" that requires an immediate announcement under Rule 905(1) of the SGX-ST Listing Manual.

5. Save as disclosed above, the Company does not have any other transaction with the interested person for the financial year 2019.

RATIONALE, BENEFIT AND BASIS OF THE INTERESTED PERSON TRANSACTION

6. The Bonus recognises Dato' Michael's contributions to the Group since he assumed the role of the Company's Chief Executive Officer and Executive Chairman in 2003. In particular, the Group performed significantly well in FY2018 under Dato' Michael's leadership, with an increase of Profits Before Tax from Loss Before Tax of S$13M in FY2017 to Profit Before Tax of S$27M. In FY2018, the Group disposed of Semiconductor Technologies & Instruments Pte Ltd and its subsidiaries for S$128,000,000.

7. In approving the Bonus, the Board has carefully considered the proposal by its Remuneration Committee, which undertook a detailed comparative analysis of remuneration packages given by SGX-ST listed companies before reaching the proposed figure of 6% of the Company's FY2018 Profit Before Tax.

AUDIT COMMITTEE'S STATEMENT

8. The Audit Committee of the Company is of the view that the award of the Bonus was approved on normal commercial terms and at arm's length basis, and are not prejudicial to the interests of the Company and its minority shareholders.

INTEREST OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

9. Dato' Michael abstained from participating in all discussions, decision-making and voting on matters relating to the IPT.

10. Mr. Timothy Lim Boon Liat who is an Executive Director and Group Administrative Officer also abstained from participating in all discussions, decision-making and voting on matters relating to the IPT as he reports directly to Dato' Michael in the course of the performance of his duties.

11. Save for as disclosed above, none of the other Directors or substantial Shareholders of the Company (other than through their respective shareholdings in the Company) has any interest, direct or indirect, in the IPT.

By Order of the Board

Daniel Yeoh Ghee Chong
Lead Independent Director
ASTI Holdings Limited
2 April 2019