



ASTI Holdings Limited

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

RESPONSE TO SGX QUERIES

The board of directors (the "**Board**") of ASTI Holdings Limited (the "**Company**" and together with its subsidiaries, collectively the "**Group**") would like to provide the following information in response to the queries from the Singapore Exchange Securities Trading Limited ("SGX") in respect of the Company's announcement on 9 August 2023 in relation to its non-binding LOI, on 21 July 2023 in relation to the Notice of Compliance and on the 26 and 27 July 2023 in relation to the Company's requirement to hold its AGMs for FY2021 and FY2022.

SGX Query 1

Pursuant to the Company's announcement on 9 August 2023 in relation to the supplemental letter dated 8 August 2023 to its non-binding LOI, the Company and the Potential Offeror have agreed that the deadline for the delivery of the FY2021 audited financial statements to the Potential Offeror be changed from 23 June 2023 to 15 August 2023.

- (a) Please disclose the current status of the FY2021 audit and whether it can be completed, delivered to the Potential Offeror and the audit opinion announced by 15 August 2023.
- (b) In your response to (a) above, please address whether all outstanding issues relating to the valuation of EoCell have been resolved. If not, to disclose the details of such issues, and whether this would be in breach of any conditions in the non-binding LOI. To provide specific details to support the basis for the Board's response.
- (c) As the Company is required to deliver the audited FY2021 financial statements by 15 August 2023 under the non-binding LOI, please explain whether the Company will be holding its FY2021 AGM by 31 August 2023. If not, please disclose the date of AGM of the Company's AGM for FY2021 and when the Notice of AGM will be announced.
- (d) To disclose if, based on the information known to the AC and its key management whether the audit opinion will be able meet the conditions under the non-binding LOI and whether the Potential Offeror will be able to accept any modified audit opinion for FY2021 and FY2022;
- (e) If the Company is unable to deliver the audit opinion by 15 August 2023, please justify why the Board and the Company knowingly entered into the supplemental letter which will result in an immediate breach of the requirement. Please also disclose what are the consequences/liabilities to the Company arising from such a breach and whether the LOI for an exit offer would lapse due to the unfulfillment of the conditions of the LOI.
- (f) Please disclose the current status of the Potential Offeror's application to SIC, and when does the Potential Offeror expect to receive a reply from SIC.

Response to SGX Query 1

- (a) The Company is currently working with their auditors, Ernst & Young LLP (“EY”) to finalise the FY2021 audit by 15 August 2023. EY is in the midst of finalizing their audit opinion.
- (b) As previously disclosed, the Group had appointed two valuers to assist in the impairment assessment of the investment in EoCell. However, we now wish to inform that both valuers are unable to finalise and sign off their valuation reports.

The first valuer had cited that as there are too many uncertainties involved in EoCell, including its expected financial returns, some of which can have substantial impact on the value of EoCell, hence they are unable to finalise and sign off the valuation report.

The second valuer had cited based on the fact pattern surrounding the investment in EoCell, they are unable to finalise and sign off the valuation report.

The Group has prepared its own assessment of the recoverable amount of the investment in EoCell which EY will need to review before proceeding to finalise the audited financial statements for the year ended 31 December 2021.

- (c) The Company intends to hold its FY2021 AGM on 31 August 2023 subject to EY signing off the audited financial statements by 15 August 2023.
- (d) From our discussion with the Potential Offeror, they are able to accept modified audit opinion for FY2021 but not for FY2022. As the new auditors for FY2022 have not commenced their work and thus we are unable to comment on the audit opinion for FY2022.
- (e) As announced on 18 July 2023 in response to SGX Query 14, the Potential Offeror is agreeable to extending the deadline for the delivery of the unqualified FY2021 audited financial statements to 15 August 2023. The Company is working closely with EY to finalise the audit for FY2021 by 15 August 2023.

Non-fulfillment of the conditions of the LOI may result in the termination of the exit offer unless the conditions are waived or amended.

- (f) The Potential Offeror has received queries from the SIC on the application submitted, and is working through these with the SIC. At this point, the Potential Offeror is not able to give an indication on when the Potential Offeror may expect to receive a reply from the SIC.

SGX Query 2

As set out in the Second Notice of Compliance (“Second NOC”) dated 21 July 2023, the Company has been directed to hold a physical EGM in Singapore by 31 August 2023. Please:

- (a) disclose the progress to hold the EGM as required under the Second NOC, the date of the EGM and the date the Company will be issuing its Notice of AGM based on the progress to-date.
- (b) provide the Board’s confirmation that they will be complying with the Second NOC issued to hold its EGM latest by 31 August 2023.
- (c) Please set out the timeline of all necessary key steps that the Board has taken to-date to ensure that the Company’s EGM will be held by 31 August 2023.

Response to SGX Query 2

- (a) The Company intends to hold its FY2021 AGM on 31 August 2023 subject to EY signing off the audited financial statements by 15 August 2023. The Notice of AGM/EGM will be dated 16 August 2023. The Company has made necessary arrangements on the venue and mailing of the Notice of AGM/EGM.
- (b) The Board confirmed that they will be complying with the Second NOC issued to hold its AGM/EGM by 31 August 2023.
- (c) Please refer to Appendix 1

SGX Query 3

In relation to the Company's announcements on 26 and 27 July 2023 to hold its FY2022 as soon as possible:

- (a) Please disclose whether the Company has already taken all necessary steps to appoint its new auditors and its circular is ready to be despatched at the upcoming AGM/EGM to be held by the Company in August 2023.
- (b) Please disclose the date on which the Company will hold its FY2022 AGM and the date its AGM notice for FY2022 will be announced.
- (c) Please disclose the deadline under the non-binding LOI for the Company to hold its AGM for FY2022 and the steps the Board has taken to ensure that that it is able to meet this condition.

Response to SGX Query 3

- (a) The Company has taken all necessary steps to appoint its new auditors and is currently in the midst of onboarding process with the new auditors. The appendix on the appointment of the auditors will be circulated together with the notices.
- (b) The Company intends to hold its FY2022 AGM on 31 October 2023 and the date of the Notice of AGM will be 16 October 2023.
- (c) The deadline under the non-binding LOI to hold FY2022 AGM is 30 September 2023. However, the Board has sought extension of time to 31 October 2023.

By Order of the Board
ASTI Holdings Limited

Prof Dr. Kriengsak Chareonwongsak
Non-Executive Chairman
11 August 2023

Appendix 1

Indicative Timeline

S/N	Action Plan	Target Completion 31 Aug 2023	Responsible Party
1	To request Shareholder Statistics	10 Aug 2023	Boardroom Limited
2	Partner's clearance on financial statements and sign off audited financial statements	15 Aug 2023	Ernst & Young Singapore
3	To finalise Annual Report upon clearance by Auditors	By 15 Aug 2023	Management
4	To present the Annual Report for Board to review and approval	By 15 Aug 2023	Management and Board of Directors
5	Issuance of Annual Report/Circular (+ upload of notice and proxy form)	No later than 15 Aug 2023	Management
6	Issuance of Notice of AGM/EGM and Proxy Form and Circular if for EGM	16 Aug 2023	Management
7	Last date for CPF Member to deposit Proxy Forms	22 Aug 2023	Members
8	Last date for submission of queries	23 Aug 2023	Members
9	Announce Company's response to queries via SGXNET and Company's website	25 Aug 2023	Management
10	Last date for depositing Proxy Form	28 Aug 2023	Members
11	Share registrar to download shareholding list for verification of shareholders and their holdings (i) Collation of proxy forms and voting results (ii) Verification by Scrutineer	29 Aug 2023 (as at 28 Aug 2023)	Share Registrar/Scrutineer
12	The Group to hold its AGM for FY2021	31 Aug 2023	Management