



## ASTI Holdings Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 199901514C)

(the “Company”)

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### ENTRY OF MEMORANDUM OF UNDERSTANDING BY AN ASSOCIATE OF THE COMPANY

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1. The board of directors (the “Board”) of the Company (and, together with its subsidiaries and associated companies, the “Group”) wishes to announce that EoCell Inc., an associate of the Company (“EoCell”), has entered into a Memorandum of Understanding on 10 June 2022 (“MOU”) with Hong Seng Consolidated Berhad, a company incorporated under the laws of Malaysia that is listed on the Main Market of Bursa Malaysia Securities Berhad (“Hong Seng”, together with Eocell the “Parties”) and is involved in various sectors including but not limited to manufacturing. The MOU sets out the Parties’ understanding of the key terms relating to the project whereby the Parties shall work together to build and create a regional manufacturing hub in Malaysia to manufacture batteries for electric vehicles (“EV”) and progress to other power storage solutions for EV and to supply to EV manufacturers, assemblers, users in the South East Asian region (“Project”) subject to the terms and conditions of the MOU.

#### 2. DETAILS OF THE MOU

The MOU is non-binding and intended only to set out the general framework of the Project and should not be interpreted as an exhaustive enumeration of the terms of the Project, which are to be contained in a joint venture agreement (“JVA”) to be entered into by the Parties after due diligence, discussions and negotiations whereby a new joint venture company (“JVC”) shall be set up pursuant to the JVA.

Further information on the salient terms of the MOU are set out in Section 2.2 of this announcement.

##### 2.1 Information on EoCell

EoCell, based in Silicon Valley, California, is a research and technology company specializing in high-energy nano-silicon anode materials and non-flammable electron technologies for advanced silicon and solid-state batteries. EoCell holds a number of patents in battery technology in the United States, and is currently in a collaboration arrangement with Morrow Batteries AS in Norway and in discussion with a number of tier 1 OEM suppliers to the EV industry and other global battery manufacturers.

##### 2.2 Salient terms of the MOU

- (i) The JVC is expected to have a minimum of 2 shareholders which comprises Hong Seng, EoCell and additional shareholder(s) of any other parties that will contribute to the Project.
- (ii) Hong Seng is expected to identify and propose suitable locations for the purpose of the Project’s site and to engage qualified consultants to undertake the necessary studies for the Project as well as to liaise with the Malaysian Government and use best endeavours to obtain incentives and other relevant authorisations, permits and clearances for the Project.

- (iii) EoCell is expected to provide licenses of battery and manufacturing technology to the JVC to permit the manufacture of EV batteries and also to provide management services to the JVC to support the operations and manufacture of the EV batteries as well as its expertise in battery production line design and installation.
  - (iv) The MOU shall be effective on the date of the MOU and shall continue for a period of 90 days (“**Term**”) or such other later date as the Parties may agree in writing unless terminated by the Parties in accordance with the terms and conditions of the MOU.
  - (v) The principal terms as set out in Section 2.2(i) and (ii) of this announcement shall, subject to negotiation of a mutually acceptable definitive agreement be more fully set out in the JVA to be entered by the Parties.
3. Shareholders and potential investors should note that there is no assurance that a definitive agreement will be entered into, or that the Project will be undertaken even if a definitive agreement is entered into.
  4. The Company will make further announcement(s) in the event that a definitive agreement is executed. EoCell and Hong Seng have required confidentiality with respect to the negotiations and therefore, in order to not prejudice the ability of EoCell and Hong Seng to conduct negotiations, the Company will only announce further details regarding the Project as may be permitted by EoCell and Hong Seng. The Company will make a further announcement in the event that a definitive agreement is not entered into.
  5. None of the Company’s Directors, substantial shareholders and/or any of their respective associates other than EoCell has any interest, direct or indirect (other than through their shareholdings in the Company), in the above Transaction.
  6. The Company will keep Shareholders informed of any material developments in this regard and will make such further announcements as and when appropriate.

By Order of the Board  
ASTI HOLDINGS LIMITED

Dato' Michael Loh Soon Gnee  
Chairman  
10 June 2022