

ASTI Holds Dialogue with Shareholders on Eve of Proposed EGM that its Directors Have Deemed Invalid

- **Acting CEO and Executive Director Anthony Loh urges shareholders to ignore 22 August EGM intended to oust 5 current directors**
- **Says the 31 August FY2021 AGM is the appropriate forum to elect or re-elect directors, to appoint an auditor for FY2022 and to hear shareholder concerns**
- **As ASTI has recorded a sharp corporate recovery in FY2022, shareholders should not disrupt the most advanced potential exit offer amid a direction from SGX to delist**

Singapore, 21 August 2023 – Three directors of ASTI Holdings (“ASTI” or the “Company”) held a dialogue with shareholders this evening on the eve of a proposed extraordinary general meeting (“Proposed 22 August EGM”) – already deemed to be invalid and a cause of disruption to a Potential Exit Offer. The dialogue was facilitated and moderated by the Securities Investors Association (Singapore) (“SIAS”).

Mr Anthony Loh, the Acting CEO and Executive Director of ASTI, presented his views to more than 30 shareholders at the forum, which was also attended by representatives of Prospera Alliance Pte. Ltd. (“Prospera” or “Potential Offeror”).

The dialogue was called by SGX Mainboard-listed ASTI, which has received pre-conditional voluntary general cash offer (“Potential Exit Offer”) even as it faces a directive from the Singapore Exchange to delist. Invitations had been extended to all shareholders including 4 who are trying to oust the entire Board 9 days before 4 out of 5 of them are due for re-election.

The requisitioners led by Mr Ng Yew Nam had held a SIAS Dialogue on 16 August but denied ASTI’s directors representation at that forum. The 4 are calling the Proposed 22 August EGM tomorrow after an earlier EGM in April was also deemed invalid.

ASTI also noted Singapore Exchange Regulation’s announcement this afternoon that both the Proposed 22 August EGM and the FY2021 AGM should proceed “as a matter of principle”. Nonetheless, ASTI, having consulted its lawyers, reaffirms that the call for the Proposed 22 August EGM and the EGM itself, are invalid. It urges shareholders to focus on the FY2021 AGM, where these issues can be properly addressed.

“While ASTI directors were shut out from a similar dialogue 5 days ago, we have chosen to maintain an open spirit of discussion and invited all shareholders including the 4 requisitioners to tonight’s forum,” said Mr Anthony Loh.

“The issues before us are important as ASTI has been directed to delist. We also want to facilitate the progress of the Potential Exit Offer which remains ‘the only and most advanced exit offer available at the moment’,” he said.

Mr Anthony Loh led a major restructuring which led to ASTI recording an unaudited profit after tax of S\$3.0 million for FY2022 which sharply reversed the audited loss after tax of S\$11.8 million in FY2021. In May 2023 ASTI distributed a 0.45 Singapore cent tax-exempt one-tier interim dividend for FY2022.

In his presentation to shareholders, Mr Loh recounted how ASTI was placed under the SGX Watchlist on 6 June 2019 after consecutive losses between FY2016 to FY2018. Despite the FY2022 recovery, ASTI could not exit the SGX-ST Watch-list by the 5 June 2022 deadline as its six-month average daily market capitalisation was short of the S\$40 million threshold.

After several attempts to extend the deadline were rejected, ASTI's shares were suspended from trading from 5 July 2022 pending the completion of an exit offer.

The Potential Exit offer is being proposed by Prospera, a consortium backed by Stock Exchange of Thailand-listed Capital Engineering Network Public Company Limited ("CEN") and a substantial ASTI shareholder, Mr Heah Theare Haw.

ASTI said it had repeatedly spelt out the reasons why shareholders should ignore the Proposed 22 August EGM. The requisitioners had placed newspaper advertisements which did not include proxy forms.

Mr Anthony Loh said it was also worrying for shareholders and the current directors that Mr Ng Yew Nam has not addressed 6 important questions:

1. Mr Ng Yew Nam was quoted in an interview with The Straits Times article that he has been talking to other potential buyers; why hasn't he offered an alternative exit offer for shareholders?

2. Has anyone approached Mr Ng Yew Nam in private to acquire his shares in the Company as part of an exit offer or to be part of any consortium in relation to any exit offer?

3. Why are the Requisitioning Shareholders now targeting to remove Mr Theerachai Leenabanchong (an ASTI director), when in their first EGM they did not do so? Is this new resolution relevant to the fact that CEN is part of the Potential Offeror Consortium?

4. Have the Requisitioning Shareholders considered how shareholders will be impacted if the Potential Offer is not made as a formal Exit Offer as a result of the EGM?

5. Mr Ng Yew Nam claims to run a company named iTrue China Pte Ltd. Why is there no ACRA record of its existence?

6. Why has Mr Ng Yew Nam not nominated his candidates for election at the FY2021 AGM by the 19 August deadline? Doing so would address substantively the issues of the current Board that he has been raising.

"ASTI will continue to maintain a discussive spirit we have demonstrated in this SIAS Dialogue. We ask shareholders to focus on the upcoming AGM on 31 August and help us advance the Potential Exit Offer which can unlock value for all shareholders," ASTI said.

The FY2021 AGM will be held on 31 August 2023, 2:00 pm, at the Lifelong Learning Institute, Event Hall 2-1 (Level 2), 11 Eunos Road 8, Singapore 408601.

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