



**SGX QUERY TO QUARTERLY UPDATE
PURSUANT TO RULE 1313(2) OF THE LISTING MANUAL**

The board of directors (the “**Board**” or the “**Directors**”) of ASTI Holdings Limited (the “**Company**”) refers to the Company’s announcement dated 14th May 2021 (the “**Announcement**”).

SGX-ST has queried the Company on the Announcement and its query is set out verbatim below:

“SGX: We refer to the above announcement dated 14th May 2021.

Pursuant to Listing Rule 1313(2), please announce via SGXNet by 18th May 2021, the efforts and progress made in meeting the exit criteria of the watch-list.”

Company’s Response

The Company has taken many steps with the objective of meeting the exit criteria of the watch-list. These include the steps that were announced by the Company on 3rd March 2021 on SGX Net.

The “Proposed Acquisition Of 100% Shareholding Interest In Emerald Precision Engineering Sdn. Bhd., Yumei Technologies Sdn. Bhd., Yumei REIT Sdn. Bhd. and Pioneer Venture Pte. Ltd. (collectively, the “Sale Companies”)” announced by the Company on 27th February on SGX-Net with one of our associated company, namely Advanced Systems Automation Limited (“ASA”) is still on-going. Once completed, the acquisition will boost the profitability of the Company.

ASA has already completed the disposal of its loss making subsidiaries and reduced significantly the share of losses contributed by the associate to the Group.

The Company is continuing to actively look for a 3rd party offeror for our listed subsidiary Dragon Group International Limited (“Dragon Group”) which is presently facing delisting. DGI holds a 40% stake in an independent associate, EoCell Limited, which is undertaking costly research and development in lithium ion battery anode material. Once it is disposed, ASTI will no longer need to consolidate the losses from Dragon Group and this should further increase its profitability.

The Company is still exploring a possible acquisition of a stake in a joint venture company (“JV Co.”) in Cambodia which is in the process of securing a concession from the Cambodian Government. If the deal is successful, the JV Co. may be able to generate a consistent regular profit and cash flow to the group and will aid ASTI to exit the watch list. However, due to the Covid-19 Pandemic raging in Cambodia, the Company is unable presently to meet with the JV parties and to carry out any measure of physical due diligence. On May 6, the Cambodian government had lifted a blanket lockdown but the surge in cases remains and pandemic situation is still critical. (<https://www.who.int/cambodia/internal-publications-detail/covid-19-joint-who-moh-situation-report-44>)

By Order of the Board
Dato’ Michael Loh Soon Gnee
Executive Chairman & Chief Executive Officer
ASTI Holdings Limited

17 May 2021