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

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

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## Introduction

ASTI Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") was placed on the watch-list under financial entry criteria pursuant to Rule 1311(1) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") on 6 June 2019.

Pursuant to Rule 1313(2) of the Listing Manual, the Board of Directors of the Company (the "**Board**") wishes to provide an update on the financial situation of the Company and the Group in respect of the full year ended 31 December 2021.

## Update on Unaudited Financial Performance and Financial Position

The Group recorded revenue of $54.3 million in the full year ended 31 December 2021 ("FY2021"), down by 4.8% or $2.7 million from $57.0 million recorded in the previous corresponding period ended 31 December 2020 ("FY2020"). This is mainly due to lower sales from one of our China subsidiaries.

Gross profit margins in FY2021 have improved by 2 percentage-points compared to FY2020.

The Group reported a net loss after tax of $17.6 million in FY2021 compared to net loss after tax of $2.4 million in FY2020.

Compared to 31 December 2020, the Group's net assets have dropped by S$17.7 million from S$72.5 million at 31 December 2020 to S$54.8 million at 31 December 2021.

Cash at bank and on hand decreased by S$5.2 million at 31 December 2021 compared to 31 December 2020 mainly due to the utilisation of cash and cash equivalents for working capital needs, the purchase of property, plant and equipment by the Group and the repayment of lease obligations.

Please refer to our result announcement of the unaudited financial statements of the Group for the six months and full year ended 31 December 2021, released via the SGXNet on 1 March 2022, for details.

## Efforts and progress made in meeting the exit criteria of the watch-list

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 5 March 2021, 17 May 2021 and 18 August 2021 on SGXNet.

1. The Company is in the process of disposing its loss-making entities and disposing part of its stake in DGI in order to deconsolidate DGI from the Group results and this should further increase its profitability.

2. The Company has completed the retrenchment exercise at the financial year ended 31 December 2021 and is expected to reduce the overall operating cost of the Group significantly.

As certain individuals who have been retrenched are key appointment holders, the Company has made separate announcements for their cessation of service in accordance with Rule 704(7) of the Listing Manual and Appendix 7.4.2 of the Listing Manual.

3. The Company has the intention to transfer from Mainboard to Catalist Board. It will apply for the transfer once it reached profitability subject to SGX-ST approval.

By Order of the Board

Dato' Michael Loh Soon Gnee
Chairman
ASTI Holdings Limited
1 March 2022