

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

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 status of the Company and the Group in respect of the full year ended 31 December 2023 (“**FY2023**”).

Update on Unaudited Financial Performance and Financial Position

The Company refers to its announcement dated 29 February 2024 pertaining to the Company’s application to the Singapore Exchange Regulation Pte. Ltd. (“**SGX RegCo**”) for an extension of time to announce its unaudited financial statements for FY2023 in relation to Rule 705(1) of the Listing Manual.

The Company will update shareholders on the outcome of the application for extension of time in due course.

Update on Future Direction and Other Material Developments

1. Update on Delisting Offer

- 1.1 The Company had provided several updates on potential exit offers in its announcements on 5 October 2022, 11 January 2023, 13 February 2023, 17 March 2023, 14 May 2023, 19 May 2023, 30 May 2023, 10 July 2023, 20 July 2023, 24 July 2023 and 31 July 2023, 9 August 2023, 10 August 2023, 11 August 2023, 14 August 2023 and 25 October 2023.
- 1.2 On 14 May 2023, the Company announced that it had, on 12 May 2023, received an unsolicited, non-binding letter of intent (“**LOI**”) from Prospera Alliance Pte. Ltd. (“**Prospera**”) and that the members are Capital Engineering Network Public Company Limited (a company listed on the Stock Exchange of Thailand) and Mr. Heah Theare Haw (who is as at the date hereof a substantial shareholder of the Company). The LOI states Prospera’s genuine interest in making a possible pre-conditional voluntary general cash offer (the “**Potential Offer**”) for all the issued ordinary shares in the capital of the Company (each a “**Share**”), other than Shares held by the Company in treasury and Shares held directly or indirectly by members of Prospera.
- 1.3 The LOI sets out the basis on which the Company and Prospera had agreed to continue discussions for the implementation of the Potential Offer and does not constitute a legally binding agreement, save for, *inter alia*, limited exclusivity and confidentiality undertakings on 10 July 2023.
- 1.4 On 25 October 2023, the Company had announced that it had received from Prospera a Letter of Notice in relation to the Cessation of Interest in Pursuing a Potential Pre-Conditional Voluntary General Offer for ASTI Holdings Limited; and that Prospera had elected not to pursue the Potential Offer, stating that their foregoing decision was made in view of the fact that as at

30 September 2023, the audited financial statements of the Company for FY2022 were not available and it is unclear when these audited financial statements will be issued.

- 1.5 The Board, which was reconstituted on 16 January 2024, will update shareholders should there be material developments on this matter.

2. Update on Other Matters

- 2.1 On 27 April 2023, SGX RegCo had issued a Notice of Compliance (“**NOC**”) and directed the Company to convene its Annual General Meetings for the financial year ended 31 December 2021 (“**FY2021**”) (“**FY2021 AGM**”) and for the financial year ended 31 December 2022 (“**FY2022**”) (“**FY2022 AGM**”) by 31 July 2023.

- 2.2 Please refer to the Company’s announcements dated 27 July 2023 pertaining to its application for extensions of time to hold the AGMs and the reasons for the rejection by SGX.

- 2.3 On 21 July 2023, SGX RegCo had issued a second Notice of Compliance (“**2nd NOC**”) and directed the Company to convene a physical Extraordinary General Meeting (“**EGM**”) in Singapore by 31 August 2023. Under the 2nd NOC, the EGM should be held to, at the minimum, table resolutions to:

- (a) Re-elect any Director who has not been subject to re-election within the last 3 years, in compliance with Listing Rule 720(5);
- (b) Appoint an auditor pursuant to Listing Rule 712(3) to minimize any further delay to the preparation of the audited financial statements for FY2022 and the conduct of the FY2022 AGM; and
- (c) (expressed as a matter of good governance) subject the remaining Directors that were appointed after the last Annual General Meeting for re-election by the shareholders of the Company.

- 2.4 On 30 August 2023, the Company proposed that only Resolutions 1 and 7 in the Notice of AGM dated 16 August 2023 (“**Notice of AGM**”) shall be tabled at the AGM held on 31 August 2023, with Resolutions 2, 3, 4, 5, 6 and 8 to be adjourned to a date to be fixed by the Court in HC/OA 855/2023 and HC/OA 861/2023. This was accepted by certain requisitioning shareholders involved in the proceedings. At the FY2021 AGM on 31 August 2023, only Resolution 1 was passed by shareholders of the Company and Resolution 7 (relating to the appointment of Messrs RT LLP as the Auditors of the Company) was not passed by shareholders of the Company.

- 2.5 On 12 December 2023, the Court had ruled that the application by certain requisitioning shareholders be dismissed and the resolutions passed at the shareholders meeting on 22 August 2023 were invalid and of no legal effect. Costs was awarded to the Company pertaining to these proceedings.

- 2.6 On 29 December 2023, the Company received correspondence from SGX RegCo on the Company’s plans for reconvening the adjourned FY2021 AGM. The Company had updated SGX RegCo that it is working on reconvening the FY2021 AGM and expects to fix a date shortly.

- 2.7 On 29 December 2023, the Company also received an “Important Notice” which gave “special notice pursuant to section 152(2) read with section 185 of the Companies Act” in relation to the intention of the Affected Shareholders (previously termed Requisitioning Shareholders) to convene another EGM of the Company for the removal of each of the Directors from office, and the appointment of each of the Claimed Directors to be Directors of the Company. The Notice states the intention to call for another EGM.

- 2.8 On 9 January 2024, the Company announced its intention to reconvene the adjourned FY2021 AGM on 1 February 2024 with the time and location to be announced later.
- 2.9 On 10 January 2024, the Company announced that the Non-Executive Chairman and Director, Dr Kriengsak Chareonwongsak, had resigned with effect from 8 January 2024, citing “the uncertainty and divergence in the future direction of the Company” as the reason for his resignation.
- 2.10 On 15 January 2024, the Company announced that Mr Ng Yew Nam and Mr Soh Pock Kheng had been appointed as Directors of the Company. With the appointment of Mr Ng Yew Nam and Mr Soh Pock Kheng being approved by SGX RegCo (as required under paragraph 13 of the 2nd NOC), the 4 Directors of the Board resigned as Directors (together with Dr Kriengsak, the “**Previous Directors**”) and stepped down from all positions in the Company. Mr Anthony Loh had also resigned from his other positions in the Company, namely Acting Chief Executive Officer cum Chief Financial Officer effective from 15 January 2024.
- 2.11 On 16 January 2024, the Board announced the appointments of Mr Yap Alvin Tsok Sein, Mr Chow Wai San and Mr Raymond Lam Kuo Wei as Independent and Non-Executive Directors of the Company. Together with Mr Ng Yew Nam and Mr Soh Pock Kheng, they constitute a new board of Directors (“**New Board**”). The Board Committees were accordingly reconstituted.
- 2.12 On 24 January 2024, the New Board announced that, in view of the resignations of the Previous Directors, certain resolutions intended to be tabled at the adjourned FY2021 AGM were no longer valid and have been withdrawn.
- 2.13 The New Board is currently working on convening the adjourned FY2021 AGM to address the following:
- (a) the re-election of the Directors pursuant to Regulation 88 of the Constitution of the Company; and
 - (b) the appointment of auditors of the Company (subject to receiving the requisite consent to act from the auditors proposed for appointment).

The Company will issue a Notice of AGM to reconvene the adjourned FY2021 AGM as soon as practicable.

The Board is closely monitoring the situation, and if and when the Company receives further information in relation to the foregoing, the Company will, in compliance with its disclosure obligations under the SGX-ST Listing Manual and Singapore Code on Take-overs and Mergers, promptly make the relevant disclosures as required.

By Order of the Board

Mr Ng Yew Nam
Executive Director & CEO
ASTI Holdings Limited
29 February 2024