



ASTI Holdings Limited

(Incorporated in the Republic of Singapore)

(Company Registration No. 199901514C)

(the "Company")

RESPONSE TO SGX QUERIES

The board of directors (the "**Board**") of ASTI Holdings Limited (the "**Company**" and together with its subsidiaries, collectively the "**Group**") would like to provide the following information in response to the queries from the Singapore Exchange Securities Trading Limited ("SGX") in respect of the Notice of Compliance announced on 27 April 2023 and the Company's announcement on 10 July 2023.

SGX Query 1

Please update us on the progress made towards conducting the Company's FY2021 and FY2022 AGMs and whether the Company can confirm dates for holding the AGMs.

Response to SGX Query 1

The Company has received the revised draft valuation report from the 2nd appointed valuer and had forwarded the report to our auditors, Ernst & Young LLP ("**EY**") for their review. The Company is working with the 2nd appointed valuer and EY on addressing queries and providing supporting documentation in respect of the valuation.

In the event that the queries and supporting documentation cannot be resolved, this may lead to a qualified opinion for the FY2021 audited financial statements.

A qualified opinion for FY2021 audited financial statement may result in the Potential Offeror retracting their offer.

As for FY2022, as EY has indicated they will not be seeking reappointment, we will appoint a new auditor during the AGM for FY2021.

SGX Query 2

The Company had previously disclosed that it was working with its auditor, EY, and its 2nd appointed valuer to finalise the valuation of EoCell (the "EoCell Valuation") and complete the FY2021 audit. Please update us on the status of the EoCell Valuation and confirm that the valuation has been completed as the Company will have to announce its AGM latest by 16 July 2023 in order to hold its AGM by 31 July 2023. To provide details on the final valuation of EoCell as compared to its current book value and disclose if there will be any material impact on the Company's financial statements for FY2021 and FY2022.

Response to SGX Query 2

As the audit for FY2021 accounts is still ongoing, the Company will provide an update when appropriate.

SGX Query 3

We note in the announcement on 10 July 2023 that the letter of intent in relation to the potential offer remains non-binding to this day and it “is not intended to constitute a firm intention”. Please clarify why the offeror has not agreed to a binding offer and the potential offer “is not intended to constitute a firm intention” even though the offeror had signed a non-binding letter since 12 May 2023. *To disclose why the 12 May 2023 non-binding letter has not materialized into a binding offer despite the passage of 2 months and why the Company is still unable to provide any substantive details despite signing these non-binding letters of intent and has still not confirmed any offer and provided a cash exit offer for its shareholders to-date.*

Response to SGX Query 3

The Board refers to the LOI in respect of the Potential Offer as announced by the Company on 14 May 2023, 19 May 2023, 30 May 2023 and 10 July 2023.

Between 12 May 2023 and 10 July 2023, there have been discussions between the Company and the Potential Offeror on the LOI. As announced on 10 July 2023, the Company entered into the LOI on 7 July 2023. Definitive agreements are being negotiated by the Company and the Potential Offeror.

As announced on 30 May 2023, the Board has been informed that the Potential Offeror has submitted an application to the Securities Industry Council (the “SIC”) in connection with the Potential Offer. As of the date of this response, the SIC has yet to revert on the application.

The Board understands from the Potential Offeror that the Potential Offer remains subject to regulatory approval, and the entry into definitive agreements is subject to the receipt of such regulatory approval.

The Board will continue to provide monthly updates in respect of the Potential Offer until a firm intention to make an offer or a decision not to proceed with an offer is announced.

SGX Query 4

Please detail the progress the Company has made towards fulfilling the potential offeror’s conditions and hence securing an exit offer in the interest of shareholders.

Response to SGX Query 4

The letter of intent provides that the Potential Offer will be subject to:

- (i) certain rulings and confirmations to be obtained from the SIC and the Singapore Exchange Securities Trading Limited (the “SGX-ST”);
- (ii) the delivery of the audited financial statements of the Company for the financial year ended 31 December 2021 (“FY2021”) to the Potential Offeror by 23 June 2023; and
- (iii) the Company’s confirmation that the audited financial statements of the Company for the financial year ended 31 December 2022 (“FY2022”) will be prepared and issued by 30 September 2023, and that the unaudited financial statements of the Company for the 9-month period commencing on 1 January 2023 and ending 30 September 2023 (“9M2023”) will be prepared and issued by 20 October 2023.

In respect of condition (i), as announced on 30 May 2023, the Board has been informed that the Potential Offeror has submitted an application to the SIC in connection with the Potential Offer. As of the date of this response, the SIC has yet to revert on the application.

In respect of condition (ii), the Company is negotiating with the Potential Offeror to extend their deadline of 23 June 2023 to a later date.

In respect of condition (iii), the Company will be working closely with the potential auditor to expedite the FY2022 audit, to ensure that this confirmation can be given. The Company will commence and expedite preparation of its financial statements for 9M2023 upon the close of 9M2023.

SGX Query 5

Please update us on the progress made towards securing alternative means of maximizing shareholders' value to provide a cash exit offer should the potential offeror fail to make an offer for the shares in the Company.

Response to SGX Query 5

As disclosed in the Company's announcement dated 1 June 2023 ("Response by the Board of Directors to Questions Raised by the Securities Investors Association (Singapore)"), following the directed delisting notice from the SGX-ST, the Board has received various expressions of interest to make a potential exit offer. The Company has been working with a few parties including Mr. Soh Pock Kheng (a substantial shareholder), a company listed on a stock exchange in the People's Republic of China, and two separate parties based in Thailand.

Should the Potential Offeror fail to make an offer for the shares in the Company, the Board will continue to source for and solicit exit offers, with a view towards securing an offer in the shareholders' best interests. The Board further emphasises that it has not, by reason of negotiations with the Potential Offeror Consortium or otherwise, precluded the making of offers by any other interested parties and that it is prepared to cooperate with other competing offerors as required to secure an offer to maximise shareholders' value.

By Order of the Board
ASTI Holdings Limited

Prof Dr. Kriengsak Chareonwaongsak
Non-Executive Chairman
14 July 2023