



ASTI HOLDINGS LIMITED
Company Registration No.: 199901514C

**THE COMPLETION OF DISPOSAL OF 48,608,777 SHARES IN THE SHARE CAPITAL OF
APS INVESTMENTS PTE LTD FOR AN AGGREGATE SALES CONSIDERATION OF
S\$2,430,439 IN CASH**

1. INTRODUCTION

- 1.1 The board of directors ("**Board of Directors**") of ASTI Holdings Limited (the "**Company**") wishes to announce that the Company had, on 8 April 2009, entered into a sale and purchase agreement (the "**Agreement**") with a purchaser (the "Purchaser") to sell 48,608,777 shares comprising 20,683,139 (19.89%) Ordinary Shares, 3,832,571 (3.69%) "A" Preference Shares and 24,093,067 (23.17%) "B" Preference Shares (the "Shares"), representing in aggregate 46.75% of the issued and paid-up share capital of APS Investment Pte Ltd ("APSI"), a company incorporated in Singapore, for an aggregate consideration of S\$2,430,438.85 (the "**Consideration**") (the "**Disposal**"). The transaction has been completed today.
- 1.2 Pursuant to Chapter 1010 of the Listing Manual, as one or more of the relative figures as computed on the bases set out in Rule 1006 exceeds 5% but is less than 20%, the Disposal is a discloseable transaction but no shareholders approval is required.

2. BACKGROUND OF APSI

- 2.1 APSI is a technology company which carries on the business of research and development of advance packaging methods, materials, wafer bumping, and wafer level packaging methods for used in the semiconductor manufacturing industry.
- 2.2 APSI has a wholly owned subsidiary known as Advanpack Solutions Pte Ltd.
- 2.3 APSI has successfully developed, filed patent applications or obtained patents for, inter alia,:
- 2.3.1 various advanced packaging methods including Flip Chip on Leadframe, Flip Chip on Substrate and Thermal Compression Bonding;
 - 2.3.2 its wafer bumping technology. Besides standard solder and gold bumping, APS has also developed the patented and award winning Pillar Bump;
 - 2.3.3 its Wafer Level CSP low cost packaging process which creates the package that interconnects directly on the wafer surface. The APSI Pillar CSP uses the patented pillar bump structure as the interconnect base;
- 2.4 APSI is involved in licensing the use of its inventions arising from their research and development.

3. **CONSIDERATION**

- 3.1 The consideration for the Shares of S\$2,430,438.85 (“Consideration”) was arrived at based on willing buyer and willing seller basis.
- 3.2 The Consideration will be paid in immediately available funds on completion.

4. **CONDITION PRECEDENTS AND MATERIAL TERMS AND CONDITIONS**

- 4.1 There are no condition precedents in the sale of the Shares.

5. **NET BOOK VALUE OF THE ASSETS DISPOSED**

- 5.1 The net book value of the Shares disposed amounted to S\$2,430,438.35 as at the date of disposal.
- 5.2 There will be no significant profit attributable arising from the transaction.
- 5.3 The proceeds raised from the disposal will be used as working capital for the Company.

6. **OTHER MATERIAL TERMS AND CONDITIONS**

- 6.1 The Purchaser undertakes:
 - 6.1.1 that it shall support and steer APSI towards a listing in a Stock Exchange; if and when APSI satisfy the conditions for listing on any Stock Exchange, the Purchaser undertakes and agrees that when a resolution is tabled, it shall vote in favour of such listing and that the Company shall be entitled to appoint a Vice Chairman, subject to APSI’s board approval, who shall be act under a mandate to list shares on a Stock Exchange; and
 - 6.1.2 that it would support a resolution for the proposed rights issue of 100 million new ordinary shares (“Rights Shares”) at the price of S\$0.05 for each Rights Shares (with proportionate entitlement of each shareholder corresponding to their shareholdings at the time of the Rights Issue) to be undertaken by APSI within 1 month from the date of this Agreement and also undertakes to subscribe for 51% of the Rights Issue. One Mr Jimmy Chew Hwee Seng shall subscribe for the balance of the Rights Issue. The total subscription under the Rights Issue will amount to S\$5 million.

7. **FINANCIAL EFFECTS OF TRANSACTIONS**

- 7.1 The financial effects of the Disposal on the Company and the ASTI Group are for illustrative purposes only. The pro forma financial effects in this section are based on the audited financial statements of the ASTI Group for the financial year ended 31 December 2008. The financial effects of the Disposal has been prepared based on the following assumptions:
 - 7.1.1 for the purpose of computing the financial effects of the Disposal on the earnings per share (“EPS”) of the ASTI Group, the Disposal is assumed to have been completed on 1 January 2008;

- 7.1.2 for the purpose of computing the financial effects of the Disposal on the net tangible assets (“NTA”) of the ASTI Group, the Disposal are assumed to have been completed on 31 December 2008;
- 7.1.3 no outstanding share options granted under the Company’s employees share options scheme (the “Outstanding Share Options”) as at the date of this Announcement, are exercised.
- 7.2 The financial effects of the Disposal on the Company and the ASTI Group are for illustrative purposes only and are, therefore, not indicative of the actual financial performance or position of the Company and/or the ASTI Group after the Disposal Completion.
- 7.3 There are no profits attributable to the Shares disposed.
- 7.4 There is no significant gain or loss on the Disposal.
- 7.5 The net tangible asset value attributable to the Shares amounted to approximately S\$2.4 million.
- 7.6 **Effect on NTA**
Purely for illustrative purpose only and assuming that the Disposal was completed as at 31 December 2008, there will be no material impact on the NTA per share of the Group for 31 December 2008.
- 7.7 **Effect on EPS**
Purely for illustrative purpose only and assuming that the Disposal was completed as at 1 January 2008, there will be no material impact on the EPS of the Group for the year ended 31 December 2008.

8. RATIONALE FOR DISPOSAL

- 8.1 APSI has taken many years to develop its core technologies for advanced packages for the semiconductor manufacturing industries.
- 8.2 The Company believes that the time has arrived to exploit and commercialise APSI varied and valuable technologies.
- 8.3 The best way to do so would be for a strategic partner, with ample capital and factory facilities to further develop and adopt the technologies in the production of semiconductor devices its factory to proliferate their use with their customers. The Purchaser is such strategic partner.
- 8.4 The Company will remain a substantial shareholder in APSI after the disposal with aggregate shareholding (direct and deemed) amounting to approximately 45% of the issued and paid up capital of APSI.

9. INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

- 9.1 None of the Directors and the controlling shareholder has any interest, whether direct or indirect, in the Disposal of the Shares.

10. RULE 1006 OF SGX-ST LISTING MANUAL

- 10.1 The relative figures for the Disposal computed on the bases set out in Rule 1006 of the SGX-ST Listing Manual are as follows:

| Rule 1006 | | | Relative figures |
|-----------|--|--|-------------------------------|
| (a). | The net asset value of the assets to be disposed of, compared with the group's net asset value. | | 2.73% |
| (b). | The net profits attributable to the assets acquired or disposed of, compared with the Group's net losses | | Not applicable ⁽¹⁾ |
| (c). | The aggregate value of the consideration given, compared with the issuer's market capitalization based on the total number of issued shares excluding Treasury Shares. | | 6.98% ⁽²⁾ |
| (d). | The number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue | | Not applicable |

Notes:

- (1) There were no profits attributable to the assets being disposed.
- (2) Based on the Company's market capitalization of approximately \$34.8 million, based on the last transacted price of \$0.065 as at 7 April 2009, being the last market day immediately preceding the date of the Sale and Purchase Agreement.

11. DOCUMENT AVAILABLE FOR INSPECTION

- 11.1 Sales and Purchase Agreement entered into between the Company and the Purchaser dated 8 April 2009.

By Order of the Board of Directors

Mr Woo Kwek Kiong
Company Secretary
28 April 2009