

**CIRCULAR DATED 25 April 2024 (“CIRCULAR”)**

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.**

**IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD CONSULT YOUR STOCKBROKER, BANK MANAGER, SOLICITOR, ACCOUNTANT, TAX ADVISER OR OTHER PROFESSIONAL ADVISER IMMEDIATELY.**

Unless otherwise stated, the capitalised terms on this cover are defined in this Circular under the section entitled “Definitions”.

This Circular is circulated to shareholders (“**Shareholders**”) of ASTI Holdings Limited (the “**Company**”) to explain to Shareholders the rationale for, and provide information relating to, the proposed appointment of auditors of the Company, which proposal shall be tabled at an extraordinary general meeting of the Company (“**EGM**”) to be held at Institute of Singapore Chartered Accountants, 60 Cecil Street, Meeting Room 3-2, ISCA House, Singapore 049709 on 15 May 2024 at 2:30 p.m. (or as soon as thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2:00 p.m. on the same day and at the same place (the “**AGM**”)).

If you have sold or transferred all your shares in the capital of the Company held through The Central Depository (Pte) Limited (“**CDP**”), you need not forward this Circular to the purchaser or the transferee as arrangement will be made by CDP for a separate Circular with the Notice of EGM and the Proxy Form to be sent to the purchaser or the transferee. If you have sold or transferred all your ordinary shares in the capital of the Company registered in your name represented by physical share certificate(s), you should immediately forward this Circular, the Notice of EGM and the Proxy Form to the purchaser or the transferee, or to the bank, stockbroker or agent through whom the sale or the transfer was effected for onward transmission to the purchaser or the transferee.

This Circular has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the accuracy of this Circular, including the correctness of any of the statements or opinions made or reports contained in this Circular.



(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199901514C)

## **CIRCULAR TO SHAREHOLDERS**

### **IN RELATION TO**

#### **THE PROPOSED APPOINTMENT OF MAZARS LLP AS AUDITOR OF THE COMPANY FOR FY2022**

##### **IMPORTANT DATES AND TIMES:**

Last date and time for lodgement of Proxy Forms	:	12 May 2024 at 2:30 p.m.
Date and time of the Extraordinary General Meeting	:	15 May 2024 at 2:30 p.m. (or as soon as thereafter following the conclusion or adjournment of the AGM)
Place of the Extraordinary General Meeting	:	Institute of Singapore Chartered Accountants, 60 Cecil Street, Meeting Room 3-2, ISCA House, Singapore 049709

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## DEFINITIONS

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In this Circular, the following definitions apply throughout unless the context requires otherwise or otherwise stated:

<b>“Accountants Act”</b>	: The Accountants Act 2004 of Singapore, as amended, supplemented or modified from time to time
<b>“ACRA”</b>	: Accounting and Corporate Regulatory Authority of Singapore
<b>“AGM”</b>	: The Annual General Meeting of the Company to be convened and held on 15 May 2024 at 2:00 p.m.
<b>“Associated Company”</b>	: A company in which at least 20% but not more than 50% of its shares are held by the Company
<b>“Audit Committee”</b>	: The audit committee of the Company at the relevant time
<b>“Auditors”</b>	: The auditors of the Company as appointed from time to time
<b>“Board”</b>	: The board of directors of the Company at the relevant time
<b>“Circular”</b>	: This circular to Shareholders dated 25 April 2024
<b>“Company”</b>	: ASTI Holdings Limited
<b>“Companies Act”</b>	: The Companies Act 1967 of Singapore, as amended, supplemented or modified from time to time
<b>“Constitution”</b>	: The Constitution of the Company, as amended, supplemented or modified from time to time
<b>“Directors”</b>	: The directors of the Company at the relevant time
<b>“EGM”</b>	: The extraordinary general meeting of the Company to be convened and held on 15 May 2024 at 2:30 p.m. (or as soon as thereafter following the conclusion or adjournment of the AGM), notice of which is set out on pages N-1 to N-4 of this Circular
<b>“EY”</b>	: Ernst & Young LLP
<b>“FY”</b>	: Financial year ended or ending 31 December
<b>“Group”</b>	: The Company and its subsidiaries, collectively
<b>“Latest Practicable Date”</b>	: The date of this Circular, being 25 April 2024
<b>“Listing Manual”</b>	: The Listing Manual of the SGX-ST, as amended, supplemented or modified from time to time

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## DEFINITIONS

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“Listing Rules” and “Rules”	: The listing rules of the SGX-ST as set out in the Listing Manual
“Mazars”	: Mazars LLP
“NOC”	: The notice of compliance issued by the SGX RegCo on 21 July 2023 to the Board
“Notice of EGM”	: The notice of the EGM set out on set out on pages N-1 to N-4 of this Circular
“Proposed Appointment of Auditors”	: The proposed appointment of Mazars as the Auditors
“SFA”	: Securities and Futures Act 2001, as amended, modified or supplemented from time to time
“SGX RegCo”	: Singapore Exchange Regulation Pte. Ltd.
“SGX-ST”	: Singapore Exchange Securities Trading Limited
“Shareholders”	: Registered holders at the relevant time of the Shares (other than the Central Depository (Pte) Limited), or in the case of Depositors, Depositors who have shares entered against their name in the Depository Register
“Shares”	: Ordinary shares in the capital of the Company
“S\$” and “cents”	: Singapore dollars and cents respectively
“%”	: Per centum or percentage

The terms “related corporation”, “subsidiary”, “substantial shareholder” and “treasury shares” shall have the meanings ascribed to them respectively in the Companies Act.

The terms “Depositor”, “Depository Agent” and “Depository Register” shall have the meanings ascribed to them respectively in Section 81SF of the Securities and Futures Act 2001 of Singapore.

Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall, where applicable, include corporations.

Any reference in this Circular to any enactment is a reference to that enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA and the Listing Manual or any modification thereof and used in this Circular shall, where applicable, have the meaning ascribed to it under the Companies Act, the SFA and the Listing Manual or modification as the case may be, unless otherwise provided.

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## DEFINITIONS

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Any reference in this Circular to a time of day and date shall be a reference to Singapore time and date respectively, unless otherwise stated.

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## LETTER TO SHAREHOLDERS

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**ASTI HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199901514C)

### BOARD OF DIRECTORS

Mr. Chow Wai San (*Non-Executive Chairman & Independent Director*)  
Mr. Ng Yew Nam (*Executive Director & Chief Executive Officer*)  
Mr. Soh Pock Kheng (*Executive Director*)  
Mr. Raymond Lam Kuo Wei (*Independent Non-Executive Director*)  
Mr. Yap Alvin Tsok Sein (*Independent Non-Executive Director*)

### REGISTERED OFFICE:

33 Ubi Avenue 3,  
#08-69 Vertex  
Singapore 408868

25 April 2024

To: **The Shareholders of ASTI Holdings Limited**

Dear Sir/Madam

### THE PROPOSED APPOINTMENT OF MAZARS AS AUDITORS OF THE COMPANY FOR FY2022

#### 1. INTRODUCTION

- 1.1 The Board is convening the EGM to be held on 15 May 2024 to seek the approval of the Shareholders for the Proposed Appointment of Auditors.
- 1.2 The purpose of this Circular is to explain to Shareholders the rationale for, and provide information relating to, the Proposed Appointment of Auditors, and to seek Shareholders' approval for the same as an ordinary resolution at the upcoming EGM, the notice of which is set out on pages N-1 to N-4 of this Circular.

#### 2. PROPOSED APPOINTMENT OF AUDITORS

##### 2.1 Background and rationale

The previous Auditors, EY, had in February 2023 informed the Board, as then constituted, that EY would not seek reappointment as the Auditors for FY2022. On 21 July 2023, the SGX RegCo issued the NOC which directed the Directors to, *inter alia*, appoint new Auditors pursuant to Rule 712(3) of the Listing Manual by 31 August 2023. Accordingly, the Board, as then constituted, sought Shareholders' approval for the appointment of RT LLP as Auditors at the annual general meeting of the Company for FY2021, held on 31 August 2023. As indicated, EY did not seek reappointment at such annual general meeting. However, a majority of the Shareholders present and voting at such annual general meeting voted against the resolution to approve the appointment of RT LLP as Auditors.

The current Board, as reconstituted on 16 January 2024, has since sought and obtained quotations and proposals from several other reputable audit firms to replace EY as Auditors.

The Board, in consultation with the Audit Committee, having considered the suitability of each such

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## LETTER TO SHAREHOLDERS

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audit firm and the needs of the Company and the Group, is pleased to recommend the appointment of Mazars as Auditors for Shareholders' approval at the upcoming EGM.

In making the above recommendation, the Board and Audit Committee have taken into consideration the Audit Quality Indicators Disclosure Framework issued by the ACRA and various other factors including the resources and experience of the audit firm as well as its track record, the audit engagement partner, and the number and experience of the supervisory and professional personnel assigned to the audit, the size and complexity of the Group and Mazars' proposed audit fees.

In view of the above, the Board is of the opinion that the Proposed Appointment of Mazars as Auditors is in the best interests of the Company and the Shareholders.

Pursuant to Rule 712(3) of the Listing Manual and Section 205AF of the Companies Act, the appointment of Mazars as Auditors must be specifically approved by Shareholders in a general meeting. Accordingly, the appointment of Mazars as Auditors of the Company will take effect upon the date of approval of Shareholders at the EGM.

### 2.2 Information on Mazars and the Audit Engagement Partner

*The information on Mazars and the audit engagement partner provided below was provided to the Company by Mazars and their representatives. The Directors have not conducted an independent review or verification of the accuracy of the statements and information below.*

Mazars is an internationally integrated partnership, specializing in audit, tax and advisory services. Operating in more than 95 countries and territories around the world, Mazars draws on the expertise of 47,000 professionals – 30,000 in the Mazars integrated partnership and 17,000 via the Mazars North America Alliance – to assist clients at every stage in their development. An alliance agreement, known as the Mazars North America Alliance, was created between Mazars and five leading firms in the United States and Canada – BKD, Dixon Hughes Goodman, Moss Adams, Plante Moran (United States firms) and MNP (a Canadian firm). Geographically, these five Alliance firms will complement Mazars United States and Mazars Canada, enabling Mazars to achieve full national coverage in North America.

Mazars is in Singapore registered with the ACRA and approved under the Accountants Act. Mazars is a globally integrated firm that provides meaningful audit and advisory advice to the world's leading organisations and fastest growing businesses. With more than 380 professionals, the firm is a fast growing and independent firm servicing clients across Asia Pacific. In Singapore, Mazars audits more than 20 locally listed companies in addition to the Singapore subsidiaries of many internationally listed clients.

The teams with familiarity in multiple jurisdictions help international large corporations, mid-market companies, small and medium enterprises, start-ups, and public bodies to find solutions to meet their objectives. More information about Mazars can be found on Mazars' website at <http://www.mazars.sg>.

For the audit of the Group, the audit engagement team will comprise the following professionals: one (1) engagement partner, one (1) engagement senior manager, one (1) audit assistant manager, one (1) audit senior and one (1) audit associate. In addition, the audit of the Group will also be reviewed by an independent engagement quality control review partner.

Mr Lai Keng Wei ("**Mr Lai**") is a public accountant registered under the Accountants Act and will be the audit engagement partner assigned to the audit of the Group. He has spent more than a decade at



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## LETTER TO SHAREHOLDERS

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Mazars, having joined the firm as a Partner in 2012. He has more than 25 years of experience in International Public Accounting firms including within the Big 4 environment in Singapore and Malaysia, as well as commercial firms.

Throughout Mr Lai's career, he has built extensive audit and assurance experience advising public companies, multinational firms, not-for-profit organisations, and the private sector. He has covered a wide spectrum of industries including resources, clean energy, education, professional services, shipbuilding, manufacturing, constructions, property development, hospitality, retail, fast-moving consumer goods, agriculture and shipping.

Mr Lai has acted as a reporting accountant for Initial Public Offering on the SGX-ST and Hong Kong Stock Exchange. He is experienced in financial due diligence for merger and acquisition transactions and valuation services. He was appointed by the Public Accountants Oversight Committee to be a member of the Complaints and Disciplinary Panel under the ACRA. He also sits on the Disciplinary Panel under the Institute of Valuers and Appraisers, Singapore.

Additionally, Mr Lai's qualifications include being a Fellow member of the Association of Chartered Certified Accountants, a Chartered Accountant and Practising member of the Institute of Singapore Chartered Accountants ("ISCA"), a Chartered Valuer & Appraiser and a member of the International Association of Certified Valuation Specialist. He formerly served as a member of the Financial Statements Review Committee in ISCA.

Mr Lai has been subjected to the Practice Monitoring Programme review by ACRA ("**PMP Review**") and was last reviewed in 2018 where he passed the review.

Mr Lai has also been the audit partner for ASTI's Associated Company, Advanced Systems Automation Limited, since 2022.

### **2.3 Compliance with Rule 712 of the Listing Manual and the Companies Act**

In compliance with Rules 712(1) and 712(2) of the Listing Manual, the Board and Audit Committee, for the reasons set out in Paragraph 2.1 and having regard to the information on Mazars and the audit engagement partner in Paragraph 2.2 above, are of the view that Mazars is a suitable auditing firm to meet its audit obligations, having regard to:

- (a) the adequacy of the resources and experience of Mazars;
- (b) the experience of Mr Lai;
- (c) Mazars' other audit engagements;
- (d) the size and complexity of the Group and the Group companies to be covered by Mazars' audit;
- (e) the number and experience of supervisory and professional staff assigned to the audit;
- (f) that Mazars is approved under the Accountants Act; and
- (g) that Mr Lai is a public accountant registered under the Accountants Act.

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## LETTER TO SHAREHOLDERS

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In accordance with the requirements of Rules 712(3) and 1203(5) of the Listing Manual:

- (i) EY has confirmed by way of a letter to Mazars dated 15 March 2024 (the “**Professional Clearance Letter**”) that it is not aware of any professional reasons why Mazars should not accept appointment as the Auditors, save as for matters set out in EY’s disclaimer of opinion on the audited financial statements of the Company and the Group for FY2021, as announced by the Company on 16 August 2023 (the “**Disclaimer of Opinion**”). The Disclaimer of Opinion is attached as the Appendix hereto;
- (ii) other than the Disclaimer of Opinion, the Company confirms that there was no disagreement with EY on accounting treatments within the last 12 months of EY’s engagement as the Auditors;
- (iii) the Company confirms that it is not aware of any circumstances connected with the Proposed Appointment of Auditors that should be brought to the attention of the Shareholders;
- (iv) the Company confirms that the specific reasons for the Proposed Appointment of Auditors are as disclosed in Paragraph 2.1 of this Circular; and
- (v) the Company confirms that it complies with Rules 712 and 716 of the Listing Manual in relation to the Proposed Appointment of Auditors.

### 2.4 Compliance with Rule 716 of the Listing Manual

In the event that the Shareholders approve the Proposed Appointment of Auditors, Mazars will become the Auditors of the Company and Telford Industries Pte. Ltd., the Company’s wholly owned, Singapore-incorporated subsidiary.

Pursuant to Rule 716 of the Listing Manual, the Company has appointed the following auditing firms for certain Singapore- and overseas-incorporated significant subsidiaries and Associated Companies:

<b>Name of significant subsidiary or Associated Company (Country of Incorporation)</b>	<b>Auditors</b>
Microview Technologies Sdn Bhd (Malaysia)	ChengCo PLT
Dragon Group International Limited (Singapore)	RT LLP
Dragon Equipment & Materials Technology Ltd (Hong Kong)	Y.K. Leung & Co.
DTB Limited (Hong Kong)	Y.K. Leung & Co.
Spire Technologies Pte Ltd	Ernst & Young LLP

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## LETTER TO SHAREHOLDERS

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(Singapore)	
Spire Technologies (Taiwan) Ltd (Taiwan)	YuanTeng CPAs & Consulting Inc
Nanjing DTB Development Co., Ltd (China)	Jiangsu LiAnDaXingYe Certified Public Accountants Co. Ltd
Dragon Tourism Management Company Limited (China)	This entity is not required to be audited in its country of incorporation.
Reel Service Limited (United Kingdom)	EQ Audit Services LLP
Reel Service (Philippines), Inc. (Philippines)	SyClip Gorres Velayo & Co.
Telford SVC. Phil, Inc. (Philippines)	SyClip Gorres Velayo & Co.
Telford Technologies (Shanghai) Pte Ltd (China)	Shanghai YangChen Certified Public Accounting Firm
Telford Property Management Inc. (Philippines)	SyClip Gorres Velayo & Co.
Telford Industries Pte Ltd (Singapore)	Mazars
Telford Service Sdn Bhd (Malaysia)	BDO PLT
Telford Service (Melaka) Sdn Bhd (Malaysia)	ChengCo PLT
Telford Service (Thailand) Co., Ltd (Thailand)	This entity is not required to be audited in its country of incorporation.

The above list does not include the Company's non-significant subsidiaries and Associated Companies.

The Board and Audit Committee are satisfied that the appointments of different audit firms for its significant subsidiaries and Associated Companies would not compromise the standard and effectiveness of the audit of the Company and Telford Industries Pte. Ltd. by Mazars.

## LETTER TO SHAREHOLDERS

### 3 DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

The interests of the Directors and substantial shareholders in the Shares as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest	
	Number of Shares	Shareholding (%) <sup>(1)</sup>	Number of Shares	Shareholding (%) <sup>(1)</sup>
<i>Directors</i>				
Mr Chow Wai San	-	-	-	-
Mr Ng Yew Nam	45,171,700	6.90	31,326,900 <sup>(2)</sup>	4.80
Mr Soh Pock Kheng	57,859,000	8.84	29,996,000 <sup>(3)</sup>	4.58
Mr Raymond Lam Kuo Wei	-	-	-	-
Mr Yap Alvin Tsok Sein	-	-	-	-
<i>Substantial Shareholders</i>				
Dato' Michael Loh Soon Gnee <sup>(4)</sup>	130,209,600	19.89	-	-
Mr Ng Yew Nam	45,171,700	6.90	31,326,900 <sup>(2)</sup>	4.80
Mr Heah Theare Haw	-	-	41,484,000 <sup>(5)</sup>	6.34
Mr Soh Pock Kheng	57,859,000	8.84	29,996,000 <sup>(3)</sup>	4.58

Notes:

- (1) Percentage figures in this table are rounded to the nearest two decimal places and based on 654,731,486 Shares in issue as at the Latest Practicable Date.
- (2) On 7 February 2023, Mr Ng Yew Nam ("**Mr Ng**") entered into share sale and purchase agreements with (i) Lim Chee San, (ii) Koh Wan Tiong and (iii) Tay Yam Sheng, Eric in respect of an aggregate of 13,644,000 ordinary shares in the Company. On 20 February 2023, Mr Ng entered into sale and purchase agreements with Ng Kok Hian, (ii) Chow Yew Kwan, (iii) Leow Geok Yew, (iv) Tan Ngok Peng, (v) Tan Kooi Jin and (vi) Ling Chui Chui in respect of an aggregate of 17,032,900 ordinary shares in the Company. Accordingly, Mr Ng has a deemed interest in these shares held by the foregoing sellers, whose legal interests are to be transferred to Mr Ng in due course.
- (3) Mr Soh Pock Kheng has a deemed interest in 29,996,000 Shares held by nominees.
- (4) Dato' Michael Loh Soon Gnee ("**Dato' Loh**"), is the former Executive Chairman and former Chief Executive Officer of the Company up until 31 December 2021. Dato' Loh resigned as a Non-Executive Director of the Company on 23 February 2023. On 8 February 2023, Dato' Loh entered into a share purchase agreement with Capital Engineering Network Public Company ("**CEN**") for the disposal of his entire shareholding in ASTI, subject to (i) the approval from the CEN's shareholders which had been obtained at its extraordinary general meeting on 15 March 2023; and (ii) approval from SGX-ST pursuant to Rule 729 of the Listing Manual.
- (5) Mr Heah Theare Haw has a deemed interest in 41,484,000 Shares held by nominees.

Save as disclosed above, none of the Directors or substantial shareholders have any interest, whether direct or indirect (other than through their respective shareholding interests in the Company), in the

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## LETTER TO SHAREHOLDERS

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Proposed Appointment of Auditors.

### **4 AUDIT COMMITTEE'S RECOMMENDATION**

The Audit Committee has reviewed the Proposed Appointment of Auditors and recommends the appointment of Mazars as the new Auditors, after taking into account, *inter alia*, the suitability and independence of Mazars to meet the audit requirements of the Group, the factors set out in Paragraph 2 of this Circular, and compliance with the requirements of the relevant Listing Rules.

### **5 DIRECTORS' RECOMMENDATION**

Having fully considered, *inter alia*, the rationale and information relating to the Proposed Appointment of Auditors as set out in this Circular and the recommendation of the Audit Committee, the Directors are of the opinion that the Proposed Appointment of Auditors is in the best interests of the Company. Accordingly, the Directors recommend that the Shareholders vote in favour of the ordinary resolution in respect of the Proposed Appointment of Auditors, at the upcoming EGM, as set out in the Notice of EGM.

### **6 EGM**

The EGM, notice of which is set out on pages N-1 to N-4 of this Circular, will be held at Institute of Singapore Chartered Accountants, 60 Cecil Street, Meeting Room 3-2, ISCA House, Singapore 049709 on 15 May 2024 at 2:30 p.m. (or as soon as thereafter following the conclusion or adjournment of the AGM), for the purpose of considering and, if thought fit, passing (with or without modifications) the ordinary resolution set out in the Notice of EGM.

### **7 ACTIONS TO BE TAKEN BY SHAREHOLDERS**

If a Shareholder wishes to appoint a proxy or proxies to attend the EGM and vote on his behalf, he should complete, sign and return the Proxy Form attached to the Notice of EGM in accordance with the instructions printed thereon as soon as possible and, in any event, the Proxy Form must be submitted to the Company in the following manner: a) if submitted by post, be lodged with the Company at 33 Ubi Avenue 3 #08-69 Vertex, Singapore 408868; or b) if submitted electronically, be submitted via email to the Company at gm@astigp.com, in either case not less than 72 hours before the time appointed for the EGM. The submission of a Proxy Form by a Shareholder does not preclude him from attending and voting in person at the EGM if he finds that he is able to do so. In such event, the relevant Proxy Form will be deemed to be revoked. A Depositor shall not be regarded as a member entitled to attend, speak and vote at the EGM unless his name appears in the Depository Register 72 hours before the time appointed for holding the EGM.

### **8 DIRECTORS' RESPONSIBILITY STATEMENT**

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Proposed Appointment of Auditors, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading. Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that

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## LETTER TO SHAREHOLDERS

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such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

### 9 DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents may be inspected at the registered office of the Company at 33 Ubi Avenue 3 #08-69, Vertex, Singapore 408868 during normal business hours from the date of this Circular up to and including the date of the EGM:

- (a) the Constitution of the Company;
- (b) the letter of resignation from EY to ASTI dated 18 August 2023;
- (c) the Professional Clearance Letter from EY to Mazars dated 15 March 2024; and
- (d) the letter of consent to act as Auditors from Mazars to ASTI dated 18 March 2024.

Shareholders who wish to inspect these documents at the registered office of the Company are requested to send an email request to [gm@astigp.com](mailto:gm@astigp.com) to make an appointment in advance.

Yours faithfully

For and on behalf of the Board of Directors of  
**ASTI HOLDINGS LIMITED**

Mr Ng Yew Nam  
Executive Director and CEO  
25 April 2024

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**APPENDIX**

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**Independent Auditor's Report to the Members of  
ASTI Holdings Limited**

**Report on the Audit of the Financial Statements**

**Disclaimer of Opinion**

We were engaged to audit the financial statements of ASTI Holdings Limited (the "Company") and its subsidiaries (collectively, the "Group"). which comprise the balance sheets of the Group and the Company as at 31 December 2021, the statements of changes in equity of the Group and the consolidated income statement, consolidated statement of comprehensive income and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

We do not express an opinion on the accompanying financial statements of the Group and Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

**Basis for Disclaimer Opinion**

*Impairment assessments – the Group's interests in an associate, EoCell Limited ("EoCell")*

As at 31 December 2021, the carrying value of the Group's investment in associate, EoCell that is held through the Group's subsidiary, Dragon Group International Limited ("DGI"), is S\$17,922,000. As the Group applies equity accounting method to account for its investment in EoCell, the Group recorded S\$2,604,000 as its share of EoCell's loss for the year in the consolidated income statement for the year ended 31 December 2021. The details are disclosed in Notes 7 and 12, to the financial statements.

Management has assessed that there were indicators of impairment in respect of the Group's investment in and amounts due from EoCell as at the reporting date. Management has determined the recoverable amount of the Group's investment in EoCell by estimating its fair value less costs of disposal ("FVLCD") using the market approach and the expected credit losses ("ECL") on the amounts due was estimated based on management's expectations of future recovery.

Determining the FVLCD and ECL at the reporting date requires the use of accounting estimates which involve heightened level of estimation uncertainty and complexity due to the technological, market and economic uncertainties over future developments in the fast-changing nature of the industry that EoCell operates in. Although management had sought assistance from external valuers to assist in the impairment assessment, the external valuers have not finalised their valuation reports as at the date of this report.

Pursuant to the assessments, the Group recorded share of losses of S\$2,604,000 during the year to carry the investment in EoCell at S\$17,922,000 as at 31 December 2021 and a full ECL allowance of S\$3,217,000 to write down the amounts due from EoCell to zero as at 31 December 2021.

Based on information available to us, we have not been able to obtain a reasonable basis to conclude on the appropriateness and reasonableness of the key estimates, inputs and assumptions used by management in estimating the FVLCD and ECL as at 31 December 2021. As a result, we were unable to obtain sufficient appropriate audit evidence to determine the appropriateness of the carrying value of the Group's investment in EoCell and the amounts due from EoCell as at 31 December 2021, the corresponding Group's share of results of associates, impairment loss and ECL recognised for the year then ended, and whether any adjustments to these amounts and associated disclosures were necessary.



### *Impairment assessments – the Company's interests in a subsidiary Dragon Group International Limited ("DGI")*

The Company's cost of investment in and receivables from DGI, a subsidiary, are reported within Subsidiaries and Amounts due from subsidiaries, respectively, in the Company's balance sheet (Notes 7 and 12 to the financial statements). These are herein referred to as "Investment in DGI" and "Amounts due from DGI", respectively. As at 31 December 2021, the carrying values of the Company's Investment in DGI and Amounts due from DGI are both zero due to accumulated impairment charge of S\$37,914,000 and ECL of S\$15,093,000 as at 31 December 2021, including ECL of S\$2,062,000 recognised during the year ended 31 December 2021. Management has considered the financial position and future cash flows of DGI and has assessed that as at 31 December 2021, the recoverable amount of the Company's Investment in DGI is nil, and full ECL provision is required for the Amounts due from DGI. DGI's investments in EoCell as mentioned in the preceding sub-section represent a substantial proportion of DGI's financial position and has significant impact on DGI's future cash flows.

As mentioned in the preceding sub-section, we were unable to determine the appropriateness and reasonableness of the recoverable amount and carrying values of DGI's investments in EoCell as at 31 December 2021. Consequently, we were also unable to obtain sufficient appropriate audit evidence on the appropriateness of estimating the recoverable amount and recording the carrying values of the Company's Investment in DGI and Amounts due from DGI as zero as at 31 December 2021, and the corresponding ECL recognised during the year, and whether any adjustments to these amounts and associated disclosures were necessary.

### *Others*

We noted that a key executive director was located overseas in 2021 whilst fulfilling the employment arrangement with the Company. Based on management's evaluation and information available to us, we have not been able to obtain sufficient appropriate audit evidence regarding the Group's and Company's compliance with the relevant tax and other laws and regulations to determine whether there could be material impact to the financial statements. Additionally, further review of these or other matters may uncover other information, which have not been brought to our attention, and may require further adjustments or disclosures to the financial statements.

### **Responsibilities of management and directors for the financial statements**

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I), and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's and Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our responsibility is to conduct an audit of the financial statements in accordance with Singapore Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

## **Report on Other Legal and Regulatory Requirements**

In our opinion, in view of the significance of the matters referred to in the Basis for Disclaimer of Opinion section of our report, we do not express an opinion on whether the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Ong Beng Lee, Ken.

Ernst & Young LLP  
Public Accountants and  
Chartered Accountants  
Singapore  
**15 August 2023**

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**NOTICE OF EXTRAORDINARY GENERAL MEETING**

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**ASTI HOLDINGS LIMITED**

(Incorporated in the Republic of Singapore)  
(Company Registration Number: 199901514C)

**NOTICE OF EXTRAORDINARY GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that the Extraordinary General Meeting (“**EGM**”) of ASTI Holdings Limited (the “**Company**”) will be convened and held at Institute of Singapore Chartered Accountants, 60 Cecil Street, Meeting Room 3-2, ISCA House, Singapore 049709 on 15 May 2024 at 2:30 p.m. (or as soon as thereafter following the conclusion or adjournment of the Annual General Meeting of the Company to be held at 2:00 p.m. on the same day and at the same place), for the following purposes:

**AS ORDINARY BUSINESS**

1. To appoint Messrs Mazars LLP as the Auditors of the Company and to authorise the Directors of the Company to fix their remuneration.

**(Resolution 1)**

By Order of the Board

Mr Ng Yew Nam  
Executive Director & Chief Executive Officer  
25 April 2024

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### Notes:

1. A member of the Company (other than a Relevant Intermediary\*) entitled to attend and vote at the Extraordinary General Meeting (“**EGM**”) is entitled to appoint not more than two proxies to attend and vote in his/her/its stead. A member shall specify the proportion of his/her/its shareholding to be represented by each proxy in the instrument appointing the proxies. A proxy need not be a member of the Company.
2. A Relevant Intermediary may appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by him/her/it (which number and class of shares shall be specified).
3. The instrument appointing a proxy or proxies (the “**Proxy Form**”), duly completed and signed, must either be (a) submitted by mail to **ASTI HOLDINGS LIMITED, at 33 Ubi Avenue 3 #08-69 Vertex, Singapore 408868**; or (b) submitted by email to **gm@astigp.com** not later than **2:30 p.m. on 12 May 2024** (being seventy-two (72) hours before the time set for the EGM).
4. The Proxy Form must be executed under the hand of the appointor or of his/her attorney duly authorised in writing. Where the Proxy Form is executed by a corporation, it must be executed under its common seal, executed as a deed in accordance with the Companies Act 1967 of Singapore (the “**Companies Act**”), or executed under the hand of its officer or attorney duly authorised. Where the Proxy Form is signed on behalf of the appointor by an attorney, the power of attorney (or other authority) or a duly certified copy thereof must (failing previous registration with the Company) be lodged with the Proxy Form, failing which the Proxy Form will be treated as invalid.
5. In relation to the appointment of proxy/proxies to attend, speak and vote on his/her/its behalf at the EGM, a member (whether individual or corporate) appointing his/her/its proxy/proxies should give specific instructions as to his/her/its manner of voting, or abstentions from voting, in respect of a resolution in the instrument of proxy. If no specific instruction as to voting is given, the appointment of the proxy will be treated as invalid for the purposes of the EGM and each adjournment thereof.
6. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative with respect to the EGM, in accordance with Section 179 of the Companies Act and the person so authorised shall upon production of a copy of such resolution certified by a director of the corporation to be a true copy, be entitled to exercise the powers on behalf of the corporation so represented as the corporation could exercise in person if it were an individual.
7. In the case of a member of the Company whose shares are entered against his/her/its name in the Depository Register, the Company may reject any Proxy Form if the member, being the appointor, is not shown to have shares entered against his/her/its name in the Depository Register as at seventy-two (72) hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.
8. A member of the Company who holds his/her/its shares through a Relevant Intermediary\* (including members holding shares in the Company through the Central Provident Fund Investment Scheme (“**CPFIS Members**”) or through the Supplementary Retirement Scheme (“**SRS Investors**”)) and who wishes to exercise his/her/its votes can do so if his/her/its Relevant Intermediary (which includes the relevant Central Provident Fund agent bank (“**CPF Agent Bank**”) or Supplementary Retirement Scheme operator (“**SRS Operator**”)): (a) appoints the Chairman of the Meeting as its proxy or (b) appoints the member as its proxy. Such member should approach his/her/its Relevant Intermediary to submit his/her/its voting instructions at least seven (7) working days prior to the date of the EGM (i.e. by **9:00 a.m. on 6 May 2024**).
9. Members, appointed proxies and authorised representatives of corporate members are reminded to bring along his/her NRIC/passport when attending the EGM to enable the Company to verify your identity.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **Submission of questions prior to the General Meeting**

1. A member of the Company may submit questions relating to the resolution to be tabled for approval at the EGM no later than **2:30 p.m. on 8 May 2024** by email to **gm@astigp.com** or by post to **ASTI HOLDINGS LIMITED** at **33 Ubi Avenue 3 #08-69 Vertex, Singapore 408868**. The Company will endeavour to address substantial and relevant questions relating to the business of the EGM and will upload the Company's responses to the questions from shareholders on the SGXNet and the Company's website by **2:30 p.m. on 10 May 2024**. Where there are substantially similar questions, the Company may consolidate such questions; and consequently, not all questions may be individually addressed. If questions are received after the abovementioned deadline, the Company will endeavour to answer the questions during the EGM.
2. If the questions are sent to the Company without being accompanied by the completed and duly executed Proxy Form, the following details must be included with the submitted questions: (i) the member's full name; and (ii) his/her/its identification/registration number for verification purposes, failing which the submission will be treated as invalid.

*\*A Relevant Intermediary is:*

- (a) *a banking corporation licensed under the Banking Act 1970 of Singapore or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity; or*
- (b) *a person holding a capital markets services licence to provide custodial services under the Securities and Futures Act 2001 of Singapore and who holds shares in that capacity; or*
- (c) *the Central Provident Fund Board established by the Central Provident Fund Act 1953 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Central Provident Fund Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation,*

*or such other person(s) as prescribed under the Companies Act from time to time.*

### **Miscellaneous:**

Printed copies of this Notice of EGM and the accompanying Proxy Form will be sent by post to members and published on the Company's corporate website at the URL <https://www.astigp.com> and the SGXNet at the URL <https://www.sgx.com/securities/company-announcements>.

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## NOTICE OF EXTRAORDINARY GENERAL MEETING

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### **Personal data privacy:**

By submitting a Proxy Form and/or appointing any representative(s) to attend, speak and vote at the EGM and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the EGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the EGM (including any adjournment thereof), and for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

### **BY ORDER OF THE BOARD**

Mr Ng Yew Nam  
Executive Director & Chief Executive Officer  
25 April 2024

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