



ASTI Holdings Limited and its Subsidiaries

**Condensed Interim Financial Statements
For the Six Months Ended 30 June 2023**

CONDENSED BALANCE SHEETS

AS AT 30 JUNE 2023

	Note	Group		Company	
		30 Jun 23	31 Dec 22	30 Jun 23	31 Dec 22
		S\$'000	S\$'000	S\$'000	S\$'000
		(unaudited)	(unaudited)	(unaudited)	(unaudited)
Non-Current Assets					
Intangible assets		18	18	-	-
Property, plant and equipment	3	29,648	32,006	59	71
Right-of-use assets		1,221	1,100	10	30
Subsidiaries	4	-	-	5,162	5,162
Investment in associates	5	16,886	18,100	5,801	5,801
Other receivables		39	39	-	-
Deferred tax assets		28	27	-	-
		47,840	51,290	11,032	11,064
Current Assets					
Inventories		3,206	3,582	-	-
Prepayments and advances		513	894	80	35
Due from subsidiaries		-	-	936	823
Due from associates		10,648	9,976	10,634	9,962
Due from related companies		835	-	-	-
Trade receivables		11,187	12,678	-	-
Other receivables		1,094	751	109	99
Cash at bank and on hand		21,042	25,875	126	1,456
		48,525	53,756	11,885	12,375
Current Liabilities					
Provisions		100	100	-	-
Loans and borrowings	7	3,563	2,178	-	-
Trade payables and accruals		10,877	11,005	1,829	1,239
Other payables	6	4,667	12,862	657	3,471
Due to subsidiaries		-	-	9,143	6,617
Lease creditors		743	616	10	30
Income tax payable		164	475	-	-
		20,114	27,236	11,639	11,357
Net Current Assets		28,411	26,520	246	1,018
Non-Current Liabilities					
Lease creditors		723	751	-	-
Long-term payables		2,516	2,412	-	-
Loans and borrowings	7	8,414	9,767	-	-
Deferred tax liabilities		312	306	-	-
		11,965	13,236	-	-
Net Assets		64,286	64,574	11,278	12,082
Equity attributable to owners of the Company					
Share capital	13	132,617	132,617	132,617	132,617
Treasury shares	14	(4,772)	(4,772)	(4,772)	(4,772)
Translation reserve		(199)	(411)	-	-
Capital reserves		(3,746)	(3,746)	(2,960)	(2,960)
Other reserves		(4,448)	(4,448)	-	-
Accumulated losses		(46,066)	(45,836)	(113,607)	(112,803)
		73,386	73,404	11,278	12,082
Non-controlling interests		(9,100)	(8,830)	-	-
Total Equity		64,286	64,574	11,278	12,082

CONDENSED CONSOLIDATED INCOME STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Note	Group		change %
		6 months ended		
		30 Jun 23 S\$'000	30 Jun 22 S\$'000	
Revenue	8	28,363	32,440	(12.6)
Cost of sales		(22,014)	(24,309)	(9.4)
Gross profit		6,349	8,131	(21.9)
Other income		1,422	266	>100.0
Other expense				
Marketing and distribution		(868)	(768)	13.0
Research and development		(34)	24	NM
Administrative expenses		(5,002)	(4,905)	2.0
Other expenses		(14)	(5)	>100.0
Foreign exchange (loss)/gain		(815)	1,230	NM
Finance costs, net		(249)	(86)	>100.0
Share of results of associates, net of tax		(1,164)	(611)	90.5
(Loss)/profit before tax	9	(375)	3,276	NM
Income tax expense	10	(443)	(718)	(38.3)
(Loss)/profit for the period		(818)	2,558	NM
Attributable to:				
Owners of the Company		(230)	3,162	NM
Non-controlling interests		(588)	(604)	(2.6)
Total		(818)	2,558	NM
(Loss)/earnings per share (cents per share)				
Basic and diluted	12	(0.04)	0.48	

NM: Not meaningful

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Group		
	6 months ended		change
	30 Jun 23	30 Jun 22	
	S\$'000	S\$'000	
(Loss)/profit for the period	(818)	2,558	NM
Other comprehensive income items that may be reclassified subsequently profit or loss			
Foreign currency translation	<u>530</u>	<u>(525)</u>	<100.0
Other comprehensive income for the period, net of tax of nil	<u>530</u>	<u>(525)</u>	<100.0
Total comprehensive income for the period	<u>(288)</u>	2,033	NM
Attributable to:			
Owners of the Company	<u>(18)</u>	2,573	NM
Non-controlling interests	<u>(270)</u>	<u>(540)</u>	(50.0)
Total	<u>(288)</u>	2,033	NM

NM: Not meaningful

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2023

Group	Attributable to equity holders of the Company							
	Share capital	Treasury shares	Capital reserve	Foreign currency translation reserve	Accumulated losses	Equity attributable to owners of the Company, Total	Non-controlling interests	Total equity
				(Non-distributable)		(Distributable)		
S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
At 1 January 2023	132,617	(4,772)	(8,194)	(411)	(45,836)	73,404	(8,830)	64,574
Loss for the period	-	-	-	-	(230)	(230)	(588)	(818)
Foreign currency translation	-	-	-	212	-	212	318	530
Other comprehensive income net of tax of nil	-	-	-	212	-	212	318	530
Total comprehensive income/(loss) for the period	-	-	-	212	(230)	(18)	(270)	(288)
At 30 June 2023	132,617	(4,772)	(8,194)	(199)	(46,066)	73,386	(9,100)	64,286
At 1 January 2022	132,617	(4,772)	(8,194)	615	(48,167)	72,099	(7,749)	64,350
Profit/(loss) for the period	-	-	-	-	3,162	3,162	(604)	2,558
Foreign currency translation	-	-	-	(589)	-	(589)	64	(525)
Other comprehensive (loss)/income net of tax of nil	-	-	-	(589)	-	(589)	64	(525)
Total comprehensive (loss)/income for the period	-	-	-	(589)	3,162	2,573	(540)	2,033
At 30 June 2022	132,617	(4,772)	(8,194)	26	(45,005)	74,672	(8,289)	66,383

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2023

Company	Share capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Accumulated losses S\$'000	Total equity S\$'000
At 1 January 2023	132,617	(4,772)	(2,960)	(112,803)	12,082
Loss for the period	-	-	-	(804)	(804)
Total comprehensive loss for the period	-	-	-	(804)	(804)
At 30 June 2023	132,617	(4,772)	(2,960)	(113,607)	11,278
At 1 January 2022	132,617	(4,772)	(2,960)	(113,291)	11,594
Loss for the period	-	-	-	(499)	(499)
Total comprehensive loss for the period	-	-	-	(499)	(499)
At 30 June 2022	132,617	(4,772)	(2,960)	(113,790)	11,095

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2023

Group	30 Jun 23 S\$'000	30 Jun 22 S\$'000
Cash flows from operating activities		
(Loss)/profit before tax	(375)	3,276
<u>Add/(less) for non cash items:</u>		
Exchange difference	(386)	(290)
Depreciation of property, plant and equipment	4,183	3,463
Depreciation of right-of-use assets	366	450
Loss on disposal of property, plant and equipment	-	4
Property, plant and equipment written off	-	6
Allowance on stock obsolescence, net	28	1
Allowance on other receivables	14	-
Write-back of trade receivables	-	(5)
Write-back of amounts due from related company	(858)	-
Write-back of amounts due from associates	(299)	-
Interest expenses	570	200
Interest income	(335)	(136)
Share of results of associates	1,164	611
Operating cash flows before changes in working capital	4,072	7,580
<u>Changes in working capital</u>		
(Increase)/decrease in:		
Inventories	380	(30)
Receivables	2,215	(1,295)
Increase/(decrease) in:		
Payables	(8,171)	(3,072)
	(1,504)	3,183
Interest paid	(529)	(157)
Interest received	39	45
Income tax paid	(840)	(532)
Net cash (used in)/generated from operating activities	(2,834)	2,539

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE SIX MONTHS ENDED 30 JUNE 2023

Group	30 Jun 23 S\$'000	30 Jun 22 S\$'000
Investing activities		
Purchase of property, plant and equipment (Note (i))	(1,662)	(3,178)
Net cash used in investing activities	(1,662)	(3,178)
Financing activities		
Payment of principal portion of lease liabilities	(423)	(383)
Repayments of bank borrowings	(38)	(98)
Proceeds from bank borrowings	-	58
Net cash used in financing activities	(461)	(423)
Net decrease in cash and cash equivalents	(4,957)	(1,062)
Cash and cash equivalents at beginning of the period	25,875	23,849
Effects of exchange rate changes on cash and cash equivalents	124	4
Cash and cash equivalents at end of the period	21,042	22,791

(i) Property, plant and equipment were acquired by means of:

Group	30 Jun 23 S\$'000	30 Jun 22 S\$'000
Cash payment	1,662	3,178
Other payables (Note 6)	101	5,266
	1,763	8,444

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

1. CORPORATION INFORMATION

ASTI Holdings Limited (the “Company”) was incorporated in the Republic of Singapore on 27 March 1999 as a public company limited by shares. The Company is domiciled in the Republic of Singapore and was admitted to the Official List of the Stock Exchange of Singapore Dealing and Automated Quotation System (“SGX-SESDAQ”) on 8 July 1999. Effective 28 April 2005, the listing and quotation of the Company’s shares was transferred to the official list of the SGX Mainboard. These condensed interim consolidated financial statements as at and for the six months ended 30 June 2023 comprise the Company and its subsidiaries (collectively, the “Group”).

The registered office of the Company and principal place of the business is located at 33 Ubi Avenue 3, Vertex #08-69 Singapore 408868.

The principal activities of the Company are those of investment holdings and acting as corporate manager and advisor in connection with the administration and organisation of the businesses of its subsidiaries.

The principal activities of the subsidiaries and associates are disclosed in Note 4 and Note 5.

2. BASIS OF PREPARATION

The condensed interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with Singapore Financial Reporting Standards (International) (“SFRS(I)”) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed interim financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The condensed interim financial statements are presented in Singapore Dollars (SGD or S\$) and all values in the tables are rounded to the nearest thousand (S\$’000), except when otherwise indicated.

2.1 *New and amended standards adopted by the Group*

The accounting policies adopted are consistent with those of the previous financial year except in the current financial period, the Group has adopted all the new and revised standards which are mandatorily effective for annual financial periods beginning on or after 1 January 2023. The adoption of these standards did not have any material effect on the financial performance or position of the Group and the Company.

- Amendments to SFRS(I) 3, SFRS(I) 1-16 and SFRS(I) 1-37
- SFRS(I) 9 *Financial Instruments*

The Group has not early applied new and revised SFRSs that have been issued but are not yet mandatorily effective for the year beginning 1 January 2023.

2.2 *Use of judgement and estimates*

In preparing the condensed interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2022.

Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

3. PROPERTY, PLANT AND EQUIPMENT

During the period ended 30 June 2023, the Group acquired assets amounting to S\$1,662,000 (30 June 2022: S\$3,178,000) and disposed of assets amounting to S\$4,411,000 (30 June 2022: S\$179,000).

4. SUBSIDIARIES

Company	30 Jun 23 S\$'000	31 Dec 22 S\$'000
Quoted shares, at cost	37,914	37,914
Unquoted shares, at cost	22,694	22,694
Less: Dividend income declared from subsidiary's pre-acquisition reserve	(294)	(294)
	<u>60,314</u>	<u>60,314</u>
Impairment loss on quoted shares	(37,914)	(37,914)
Impairment loss on unquoted shares	(17,238)	(17,238)
	<u>5,162</u>	<u>5,162</u>
Allowance for impairment		
Balance at beginning of the period	55,152	55,152
Current year allowance	-	-
Balance at end of the period	<u>55,152</u>	<u>55,152</u>

(a) The Group has the following significant investments in subsidiaries:

Name of subsidiaries (Country of incorporation)	Principal activities	Proportion of ownership interest	
		30 Jun 2023	31 Dec 2022
		%	%
Held by the Company			
Telford Industries Pte Ltd (Singapore)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford SVC. Phils., Inc. (Philippines)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Reel Service Limited (United Kingdom)	Investment holding, manufacturing and distribution of carrier tapes and plastic reels and provision of semiconductor manufacturing	100	100
Reel Service (Philippines), Inc. (Philippines)	Manufacturing and distribution of carrier tapes and plastic reels and provision of semiconductor manufacturing services for surface mount technology components	100	100

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

4. SUBSIDIARIES (CONT'D)

(a) The Group has the following significant investments in subsidiaries (Cont'd):

Name of subsidiaries (Country of incorporation)	Principal activities	Proportion of ownership interest	
		30 Jun 2023	31 Dec 2022
		%	%
Held by the Company			
Telford Technologies (Shanghai) Pte Ltd (People's Republic of China)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford Property Management Inc. (Philippines)	Property investment	100	100
Dragon Group International Limited (Singapore)	Investment holding and acting as corporate manager and advisor to its subsidiaries	41	41
EoPlex Limited (Hong Kong)	Development of advanced chip packaging and related technologies	85	85
Held by Telford Industries Pte Ltd			
Telford Service Sdn. Bhd. (Malaysia)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Telford Service (Melaka) Sdn. Bhd. (Malaysia)	Provision of semiconductor manufacturing services for surface mount technology components	100	100
Held by Dragon Group International Limited			
Dragon Equipment & Materials Technology Ltd (Hong Kong)	Sale, distribution and acting as commission agent in equipment, materials and electronic components	100	100
DTB Limited (Hong Kong)	Investment holding	100	100
Held by Dragon Equipment & Materials Technology Ltd			
Spire Technologies Pte Ltd (Singapore)	Importing, exporting, retailing and trading in electronic components and test consumables	100	100
Held by Spire Technologies Pte Ltd			
Spire Technologies (Taiwan) Ltd (Taiwan)	Importing, exporting, retailing and trading in electronic components and test consumables	60	60

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

4. SUBSIDIARIES (CONT'D)

(a) The Group has the following significant investments in subsidiaries (Cont'd):

Name of subsidiaries (Country of incorporation)	Principal activities	Proportion of ownership interest	
		30 Jun 2023	31 Dec 2022
		%	%
Held by DTB Limited			
Nanjing DTB Development Co., Ltd (People's Republic of China)	Construction of antique wooden sea boat, communication of culture, exhibition and conference etc.	60	60
Dragon Ventures Limited (Hong Kong)	Investment holding	100	100
Held by Dragon Ventures Limited			
Dragon Tourism Management Company Limited (People's Republic of China)	Develop and manage a mixed-used property	100	100

The above list excludes subsidiaries that are insignificant to the operations of the Group.

5. INVESTMENT IN ASSOCIATES

The Group's material investment in associates are summarised below:

	Group		Company	
	30 Jun 23	31 Dec 22	30 Jun 23	31 Dec 22
	S\$'000	S\$'000	S\$'000	S\$'000
Advanced Systems Automation Limited	1,363	1,738	5,801	5,801
EoCell Limited	15,523	16,362	-	-
	16,886	18,100	5,801	5,801
Carrying amount of quoted shares at end of period	1,363	1,738	5,801	5,801
Carrying amount of unquoted shares at end of period	15,523	16,362	-	-

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

5. INVESTMENT IN ASSOCIATES (CONT'D)

The Group has the following significant investments:

Name of investments (Country of incorporation)	Principal activities	Proportion of ownership interest	
		30 Jun 2023 %	31 Dec 2022 %
Held by the Company			
Advanced Systems Automation Limited (Singapore)	Investment holding	26	26
Held by Advanced Systems Automation Limited			
Emerald Precision Engineering Sdn. Bhd. (Malaysia)	Fabrication of tooling, dies and related moulding of spare parts and other related businesses	100	100
Pioneer Venture Pte Ltd (Singapore)	Contract manufacturing solutions of fabricated metal products	100	100
Yumei Technologies Sdn. Bhd. (Malaysia)	Manufacturing of die-casting products	100	100
Yumei REIT Sdn. Bhd. (Malaysia)	Property owner	100	100
Held by Dragon Group International Limited (a subsidiary of the Company)			
EoCell Limited (Hong Kong)	Development of battery and storage solutions	40	40
Held by EoCell Limited			
EoCell Inc (United States of America)	Development of battery and storage solutions	100	100

The above list excludes associates that are insignificant to the operations of the Group.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

6. OTHER PAYABLES

	Group		Company	
	30 Jun 23 S\$'000	31 Dec 22 S\$'000	30 Jun 23 S\$'000	31 Dec 22 S\$'000
Proposed Directors' fees	568	456	568	456
Proposed Directors' fees of subsidiaries	255	204	-	-
Payable arising from purchase of property, plant and equipment	101	5,266	-	-
Advances received from customers (Note (i))	439	71	-	-
Advances for capital injection from non-controlling interest	2,367	2,447	-	-
Sundry creditors	786	747	84	64
Dividend payable	-	2,946	-	2,946
Others	151	725	5	5
	4,667	12,862	657	3,471

(i) The advances received from customers relate to the deposits received for sales orders.

7. LOANS AND BORROWINGS

	Group	
	30 Jun 23 S\$'000	31 Dec 22 S\$'000
Current liabilities:		
Unsecured loan	2,212	2,178
Secured loan	1,351	-
	3,563	2,178
Non-current liabilities:		
Unsecured loan	308	345
Secured loan	8,106	9,422
	8,414	9,767
	11,977	11,945

Unsecured loan

- Unsecured floating rate bank borrowings of a subsidiary bear effective interest rates of 4.31% (2022: 4.31%) per annum. This loan has two portions, S\$308,000 (2022: S\$345,000) is included in non-current liabilities while the remaining S\$77,000 (2021: S\$77,000) is under current liabilities which are repayable quarterly, and is denominated in United States dollars.
- Short Term unsecured floating rate bank borrowings of the subsidiaries bear effective interest rates from 6.00% to 7.00% (2022: ranging from 5.88% to 6.25%) per annum. These bank borrowings comprise of S\$2,135,000 (2022: S\$2,101,000) which are repayable within one year and is denominated in Philippines peso.
- Long-term secured fixed rate bank borrowings of a subsidiary bear an interest rate of 8.17% (2022: 8.17%) per annum. This loan has two portions, S\$8,106,000 (2022: S\$9,422,000) is included in non-current liabilities while the remaining S\$1,351,000 (2022: S\$Nil) is under current liabilities which are repayable quarterly, and is denominated in United States dollars.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

8. REVENUE

Disaggregation of revenue

Group	Backend equipment solutions & technologies		Distribution & services		Total revenue	
	30 Jun 23 S\$'000	30 Jun 22 S\$'000	30 Jun 23 S\$'000	30 Jun 22 S\$'000	30 Jun 23 S\$'000	30 Jun 22 S\$'000
Primary geographical markets						
China	2,210	4,315	142	39	2,352	4,354
Singapore	435	438	-	232	435	670
Malaysia	1,390	1,713	109	118	1,499	1,831
Philippines	20,251	19,813	-	-	20,251	19,813
United Kingdom	1,004	1,334	-	-	1,004	1,334
Others	1,879	2,599	943	1,839	2,822	4,438
	27,169	30,212	1,194	2,228	28,363	32,440
Timing of transfer of goods or services						
At a point in time	27,169	30,212	1,194	2,228	28,363	32,440

9. (LOSS)/PROFIT BEFORE TAX

The following significant items have been included in arriving at (loss)/profit before tax.

	Group	
	30 Jun 23 S\$'000	30 Jun 22 S\$'000
Interest income	335	136
Interest expense	(570)	(200)
Depreciation on property, plant and equipment	(4,183)	(3,463)
Depreciation on right-of-use assets	(366)	(450)
Property, plant and equipment written off	-	(6)
Loss on disposal of property, plant and equipment	-	(4)
Write-back of amounts due from related company	858	-
Write-back of amounts due from associates	299	-
Allowance on stock obsolescence, net	(28)	(1)
Write-back of trade receivables	-	5
Allowance on other receivables	(14)	-

10. INCOME TAX EXPENSE

	Group	
	30 Jun 23 S\$'000	30 Jun 22 S\$'000
Current income tax		
Current income tax	(442)	(716)
Underprovision in respect of prior period	(1)	(2)
Income tax expense recognised in profit and loss	(443)	(718)

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

11. NET ASSETS VALUE

	Group		Company	
	30 Jun 23	31 Dec 22	30 Jun 23	31 Dec 22
Net assets value per share (cents)	11.21	11.21	1.72	1.85
Based on number of shares (in '000s)	654,731	654,731	654,731	654,731

Net assets value per share is calculated based on the equity attributable to the owners of the Company divided by the number of issued shares (excluding treasury shares).

12. EARNINGS PER SHARE

Basic and diluted earnings per share are calculated by dividing (loss)/profit for the period attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the financial period.

The following reflects the income and share data used in the basic and diluted earnings per share computations for the end of the period:

Group	30 Jun 23	30 Jun 22
	S\$'000	S\$'000
(Loss)/profit for the period attributable to owners of the Company used in the computation of basic and diluted earnings per ordinary share	(230)	3,162
Weighted average number of ordinary shares in issue applicable to basic and diluted earnings per share computation (no. of shares, in '000s)	654,731	654,731

The diluted earnings per share are the same as the basic earnings per share as there were no outstanding convertible securities.

13. SHARE CAPITAL

Group and Company	30 Jun 23	31 Dec 22	30 Jun 23	31 Dec 22
	Number of shares		S\$'000	S\$'000
Issued and fully paid ordinary shares				
Balance at beginning and at end	681,966,341	681,966,341	132,617	132,617

The holders of ordinary shares (except treasury shares) are entitled to receive dividends as and when declared by the Company. All ordinary shares carry one vote per share without restrictions. The ordinary shares have no par value.

14. TREASURY SHARES

Group and Company	30 Jun 23	31 Dec 22	30 Jun 23	31 Dec 22
	Number of shares		S\$'000	S\$'000
Balance at beginning and at end	(27,234,855)	(27,234,855)	(4,772)	(4,772)

Treasury shares relate to the ordinary shares of the Company that are held by the Company. Losses or gains on disposal or reissue of treasury shares are reflected as equity in the balance sheet.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

15. SEGMENT INFORMATION

The Group positioned its operations into two strategic business segments comprising Back-end Equipment Solutions and Technologies ("BEST") and Distribution and Services. BEST is mainly engaged in provision of solutions and technologies in the back-end (i.e. assembly, test and finishing) arena of the semiconductor industry. The Distribution and Services segment is engaged mainly in the provision of semiconductor application in consumer electronics, computer peripheral and communication solutions.

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss.

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

15. SEGMENT INFORMATION (CONT'D)

Inter-segment sales and transfers are carried out on an arm's length basis. Segment assets consist primarily of property, plant and equipment, current assets, investments and intangible assets.

Group	Backend equipment solutions & technologies		Distribution & services		Adjustments and elimination		Total Consolidation	
	30 Jun 23 S\$'000	30 Jun 22 S\$'000	30 Jun 23 S\$'000	30 Jun 22 S\$'000	30 Jun 23 S\$'000	30 Jun 22 S\$'000	30 Jun 23 S\$'000	30 Jun 22 S\$'000
6 months ended								
Segmental Revenue								
- External Revenue	27,169	30,212	1,194	2,228	-	-	28,363	32,440
- Inter-segmental sales	37	-	-	-	(37)	-	-	-
	27,206	30,212	1,194	2,228	(37)	-	28,363	32,440
Operating profit/(loss)	5,584	8,303	(1,133)	(1,054)	-	-	4,451	7,249
Interest income	367	417	3	-	(35)	(281)	335	136
Interest expense	(594)	(410)	(11)	(71)	35	281	(570)	(200)
Depreciation on property, plant and equipment	(4,183)	(3,462)	-	(1)	-	-	(4,183)	(3,463)
Depreciation on right-of-use assets	(366)	(450)	-	-	-	-	(366)	(450)
Allowance on stock obsolescence, net	(22)	(1)	(6)	-	-	-	(28)	(1)
Write-back of/(allowance on) trade receivables	-	14	-	(9)	-	-	-	5
Allowance on other receivables	-	-	(14)	-	-	-	(14)	-
Profit/(loss) before tax	786	4,411	(1,161)	(1,135)	-	-	(375)	3,276
Income tax expense	(436)	(673)	(7)	(45)	-	-	(443)	(718)
Profit/(loss) after tax	350	3,738	(1,168)	(1,180)	-	-	(818)	2,558
Other information:								
Share of results of equity-accounted investees, net of tax	(272)	82	(892)	(693)	-	-	(1,164)	(611)
Foreign currency exchange (loss)/gain	(433)	1,655	(382)	(425)	-	-	(815)	1,230
Segment assets	85,318	104,861	19,058	9,452	(8,011)	(9,267)	96,365	105,046
Segment liabilities	17,491	28,091	22,599	21,648	(8,011)	(9,267)	32,079	40,472

NOTES TO THE CONDENSED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2023

16. SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant transactions are entered with related parties and the effects of these transactions on the basis determined between the parties are reflected in these financial statements.

Group	6 months ended	
	30 Jun 23	30 Jun 22
	S\$'000	S\$'000
Corporate cost recovery	60	85
Interest income	295	90
	295	90

17. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Group		Company	
	30 Jun 23	31 Dec 22	30 Jun 23	31 Dec 22
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets measured at amortised cost				
Due from subsidiaries	-	-	936	823
Due from equity-accounted investees	10,648	9,976	10,634	9,962
Trade receivables	11,187	12,678	-	-
Other receivables	1,005	745	109	99
Cash at bank and on hand	21,042	25,875	126	1,456
	43,882	49,274	11,805	12,340
Financial liabilities measured at amortised cost				
Trade payables and accruals	10,877	11,005	1,829	1,239
Other payables	1,861	10,344	657	3,471
Due to subsidiaries	-	-	9,143	6,617
Lease creditors	1,466	1,367	10	30
Long-term payables	2,516	2,412	-	-
Loans and borrowings	11,977	11,945	-	-
	28,697	37,073	11,639	11,357

18. EVENTS OCCURRING AFTER THE REPORTING PERIOD

There are no known subsequent events which have led to adjustments to this set of financial statements.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS ENDED 30 JUNE 2023

OTHER INFORMATION

1. REVIEW

The condensed consolidated balance sheet of ASTI Holdings Limited and its subsidiaries as at 30 June 2023 and the related condensed consolidated income statement and statement of comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the first half then ended and certain explanatory notes have not been audited or reviewed.

2. WHERE THE FIGURES HAVE BEEN AUDITED OR REVIEWED, THE AUDITORS' REPORT (INCLUDING ANY MODIFICATIONS OR EMPHASIS OF MATTER)

Not applicable.

2A. WHERE THE LATEST FINANCIAL STATEMENTS ARE SUBJECT TO AN ADVERSE OPINION, QUALIFIED OPINION OR DISCLAIMER OR OPINION: -

(a) Updates on the efforts taken to resolve each outstanding audit issue.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

3. CHANGES IN TREASURY SHARES

Not applicable.

4. CHANGES IN SUBSIDIARY HOLDINGS

Not applicable.

5. REVIEW OF PERFORMANCE OF THE GROUP

Consolidated Income Statement – first half ended 30 June 2023 (“1H2023”) performance

Revenue

	6 months ended 30-June-2023		6 months ended 30-June-2022		
	\$'000	%	\$'000	%	
Backend Equipment Solutions & Technologies	27,169	95.8	30,212	93.1	(10.1)
Distribution & Services	1,194	4.2	2,228	6.9	(46.4)
	<u>28,363</u>	100.0	<u>32,440</u>	100.0	(12.6)

The Group reported revenue of \$28.4 million in the first half year ended 30 June 2023 (“1H2023”), down by 12.6% or \$4.0 million from \$32.4 million reported in the corresponding period ended 30 June 2022 (“1H2022”) mainly due to slower business activities arising from lower customers' demands.

Gross profit margin of the Group dropped by 3 percentage-points; from 25% in 1H2022 to 22% in 1H2023.

Other income increased by \$1.1 million in 1H2023 compared to 1H2022. This was mainly due to amounts written back from a related company and from the associates.

Administrative expenses increased by \$0.1 million or 2.0% from \$4.9 million in 1H2022 to \$5.0 million in 1H2023 due to an increase business taxes as well as additional legal and professional fees of approximately \$0.2 million in relation to recent corporate developments.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS ENDED 30 JUNE 2023

5. REVIEW OF PERFORMANCE OF THE GROUP (CONT'D)

Consolidated Income Statement – first half ended 30 June 2023 (“1H2023”) performance (Cont'd)

Foreign exchange loss of \$0.8 million in 1H2023 compared to foreign exchange gain of \$1.2 million in 1H2022 was mainly due to the volatility between the United States dollar and Singapore dollar exchange rates.

Finance costs increased by \$0.1 million in 1H2023 compared to 1H2022 mainly due to higher prevailing interest rates and increase in external borrowings in the Group.

The Group reported a tax expense of \$0.4 million and \$0.7 million in 1H2023 and 1H2022 respectively.

As the result of the above, the Group reported a net loss after tax of \$0.8 million in 1H2023 compared to a net profit after tax of \$2.6 million in 1H2022.

Consolidation Statement of Financial Position as at 30 June 2023

Non-current assets

Non-current assets decreased by \$3.5 million or 7% from \$51.3 million at 31 December 2022 to \$47.8 million at 30 June 2023.

This comprised the decrease in investment in associates due to share of losses for the period; depreciation of property, plant and equipment (“PPE”); right-of-use assets; and translation changes for non-current assets. The decrease was offset against additional PPE purchased by the Group.

Current assets

Compared to 31 December 2022, current assets dropped by \$5.3 million or 10% from \$53.8 million at 31 December 2022 to \$48.5 million at 30 June 2023. This was mainly due to the utilisation of cash for payments of PPE, offset by lower trade receivables and inventories.

Current liabilities

Current liabilities decreased by \$7.1 million or 26% from \$27.2 million at 31 December 2022 to \$20.1 million at 30 June 2023. These were mainly due to payments for PPE and dividends to shareholders which were recorded under other payables and repayment of loans and borrowings.

Non-current liabilities

The decline in non-current liabilities from \$13.2 million at 31 December 2022 to \$12.0 million at 30 June 2023 was mainly attributable to the US-Singapore dollar exchange volatility, which was mitigated by the increase in long-term payables and new leases taken up during the period.

Consolidated Statement of Cash Flows Position as at 30 June 2023

The Group recorded net cash used in operating activities of \$2.8 million, of which \$1.4 million was utilised for the payment of interest and taxes.

Net cash used in investing activities amounting to \$1.7 million was utilised for purchase of property, plant and equipment.

Net cash used in financing activities amounting to \$0.5 million was utilised to repay lease obligations and bank borrowings during the period.

6. WHERE A FORECAST, OR PROSPECT STATEMENT, HAS BEEN PREVIOUSLY DISCLOSED TO SHAREHOLDERS, ANY VARIANCE BETWEEN IT AND THE ACTUAL RESULTS.

Not applicable.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS ENDED 30 JUNE 2023

7. A COMMENTARY AT THE DATE OF THE ANNOUNCEMENT OF THE SIGNIFICANT TRENDS AND COMPETITIVE CONDITIONS OF THE INDUSTRY IN WHICH THE GROUP OPERATES AND ANY KNOWN FACTORS OR EVENTS THAT MAY AFFECT THE GROUP IN THE NEXT REPORTING PERIOD AND THE NEXT 12 MONTHS.

The business outlook remains challenging due to an overall slowdown in the semiconductor sector due to slower economic growth in China and geopolitical uncertainty.

The Group commenced a major restructuring in FY2021. The corporate recovery resulted in an unaudited profit after tax of \$3.0 million in FY2022 (reversing a pre-tax loss of \$8.1 million in FY2021). The Group will continue to maintain tight cost control measures implemented as part of the restructuring even as it continues to explore opportunities for business expansion.

ASTI, which has been directed by the Singapore Exchange to delist, has received a non-binding letter of intent from a consortium expressing interest to make a Potential Exit Offer of the Company. Discussions are ongoing between the Board of Directors and the Potential Offeror Consortium. ASTI has also been directed by the SGX to seek shareholder approval by 31 August 2023 to appoint or re-appoint directors and a new auditor for FY2022.

The Board will update shareholders regarding these and other corporate matters at the appropriate time.

DGI is working on exit proposals and will keep the shareholders updated at the appropriate time.

The outlook for ASA in the coming quarters remain challenging amid the current political and economic global uncertainties.

ASA will continue their search for opportunities that can help to improve their business and will inform their shareholders as and when they happen.

8. DIVIDEND

(a) Whether an interim (final) ordinary dividend has been declared (recommended)

Any dividend declared for the current financial period reported on?

None

(b) Corresponding Period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year?

None

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state the tax rate and the country where the dividend is derived

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the company (up to 5.00 pm) will be registered before entitlements to the dividend are determined

Not applicable.

9. IF NO DIVIDEND HAS BEEN DECLARED/RECOMMENDED, A STATEMENT TO THAT EFFECT AND THE REASON(S) FOR THE DECISION

Not applicable.

OTHER INFORMATION REQUIRED BY LISTING RULE APPENDIX 7C

FOR THE SIX MONTHS ENDED 30 JUNE 2023

10. **IF THE GROUP HAS OBTAINED A GENERAL MANDATE FROM SHAREHOLDERS FOR IPTS, THE AGGREGATE VALUE OF SUCH TRANSACTIONS AS REQUIRED UNDER RULE 920(1)(A)(II). IF NO IPT MANDATE HAS BEEN OBTAINED, A STATEMENT TO THAT EFFECT.**

No general mandate for IPTs has been obtained from shareholders.

11. **CONFIRMATION OF UNDERTAKINGS FROM DIRECTORS AND EXECUTIVE OFFICERS PURSUANT TO RULE 720(1) OF THE LISTING MANUAL.**

The Company hereby confirms that it has procured undertaking from all directors and executive officers under Rule 720(1).

12. **NEGATIVE CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(5).**

To the best of our knowledge, nothing has come to the attention of the Board of Directors of ASTI Holdings Limited which may render the unaudited financial results for the financial period ended 30 June 2023 to be false or misleading in any material aspect.

13. **DISCLOSURES ON ACQUISITION AND REALISATION OF SHARES PURSUANT TO RULE 706A.**

There were no acquisitions or realisations of shares in neither any of the Group's subsidiary associated company nor incorporation of any new subsidiary or associated company by the Company or any of the Group's entities during the six months ended 30 June 2023.

By Order of the Board

Dr. Kriengsak Chareonwongsak
Chairman
14 August 2023