ADVANCED SYSTEMS AUTOMATION LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 198600740M)
(the "**Company**")

COMPLETION OF PROPOSED ACQUISITION OF COMPANIES

Unless otherwise defined, capitalised terms used herein shall have the meanings ascribed to them in the Circular (as defined herein).

1. INTRODUCTION

1.1. The board of directors (the "**Board**" or "**Directors**") of the Company (together with its subsidiaries, the "**Group**") refers to the announcement dated 9 April 2018 and the circular to Shareholders of the Company dated 7 September 2018 (the "**Circular**") in relation to the Proposed Acquisition.

2. COMPLETION

2.1 The Board is pleased to announce that the Proposed Acquisition has been completed on 4 December 2018 (the "**Completion**"). Following Completion, Mr. Seah Chong Hoe has been issued and allotted 6,500,000,000 new Shares in the capital of the Company at an issue price of S$0.001 per share having an aggregate value of S$6,500,000 (the "**Consideration Shares**").

2.2 Each of the Consideration Shares has been allotted and issued to Mr Seah Chong Hoe and credited as fully paid and shall rank *pari passu* in all respects with the Shares in the capital of the Company in issue at the date of its issuance, except that no Consideration Shares will rank for any dividend or other distribution declared, paid or made in respect of the financial year of the Company ended on 31 December 2017.

2.3 As disclosed in the Circular, Mr Seah Chong Hoe is restricted under the SPA from assigning, transferring, creating an encumbrance over (or otherwise agreeing to any of the foregoing) such number of Consideration Shares as at the Issue Price, having a value of S$3,000,000 (the "**Restricted Shares**") during the Guarantee Period.

2.4 In connection with the Profit Guarantee, save as otherwise provided in Section 2.3 of the Circular:

(a) in the event that the Actual Profit in 2018 is not less than S$1,500,000, half of the Restricted Shares amounting to S$1,500,000 shall be released from the restrictions as described in the Circular;

(b) in the event that the Actual Profit is less than the Guaranteed Profit (the "**Shortfall**"), Mr Seah Chong Hoe shall be deemed to have appointed the Company as its attorney or any substitute or any delegate (with full power of substitution), on its behalf and in its name or otherwise, at such time and in such manner as the attorney thinks fit, to do all acts and things and to execute any document or complete any sale and transfer of the Restricted Shares which the Company may require to recover the Shortfall, and Mr Seah Chong Hoe agrees to ratify and confirm any deed, document, act or thing and all transactions which the attorney or any substitute or any delegate may lawfully do or execute under or has done or executed under this Section 2.3.2(b) of the Circular;

(c) in the event the Company is unable to recover the Shortfall from the sale of all the Consideration Shares, as detailed in Section 2.3.2(b) of the Circular, Mr Seah Chong Hoe shall pay in cash an amount equal to the difference between the Shortfall and the amounts received by the Company pursuant to the sale of Consideration Shares referred to in Section 2.3.2(b) of the Circular to the bank account of the Company within ten (10) Business Days upon written notice by the Company; and

(d) at the end of the Guarantee Period (and for the avoidance of doubt, after all payments are made by Mr Seah Chong Hoe to the Company as detailed in Section 2.3.2(c) of the Circular), the remaining Restricted Shares not otherwise dealt with as detailed in Section 2.3.2(b) of the Circular, shall vest and be released from the restrictions as detailed in the Circular.

2.5 The Consideration Shares are expected to be listed and quoted on the Catalist board of the SGX-ST on or around 6 December 2018.

2.6 Following the allotment and issuance of the Consideration Shares, the total number of issued and paid-up Shares in the capital of the Company has increased from 15,824,126,058 Shares to 22,324,126,058 Shares. The Company has complied with the minimum public float requirement under Rule 723 of the Catalist Rules.

2.7 The listing and quotation notice in respect of the Consideration Shares granted by the SGX-ST on 6 September 2018 is not to be taken as an indication of the merits of the Proposed Acquisition, the Consideration Shares, the Company, its subsidiaries and their securities.

By Order of the Board

Dato' Michael Loh Soon Gnee
Executive Chairman & Chief Executive Officer
Advanced Systems Automation Limited
4 December 2018

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement.*

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

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