ADVANCED SYSTEMS AUTOMATION LIMITED
(Company Registration Number: 198600740M)
(Incorporated in the Republic of Singapore on 10 April 1986)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS CUM WARRANTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY TWO (2) EXISTING SHARES IN THE CAPITAL OF THE COMPANY HELD BY THE ENTITLED SHAREHOLDERS AS AT A RECORD DATE TO BE DETERMINED, AND TWO (2) WARRANTS FOR EVERY THREE (3) RIGHTS SHARES SUBSCRIBED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

- **IRREVOCABLE UNDERTAKINGS**
- **UPDATE ON THE SIZE OF THE RIGHTS CUM WARRANTS ISSUE**
- **UPDATE ON USE OF PROCEEDS**

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1. INTRODUCTION

1.1 The board of directors (the "**Board**" or "**Directors**") of Advanced Systems Automation Limited (the "**Company**") refers to the Company's announcement dated 16 September 2024 ("**RCW Announcement**") in relation to the Rights Cum Warrants Issue.

1.2 Unless otherwise defined, all capitalized terms used in this announcement shall have the same meanings ascribed to them in the RCW Announcement.

2. IRREVOCABLE UNDERTAKINGS

2.1 As an indication of their commitment to and confidence in the Company, and to allow the Company to achieve a more balanced capital structure, the Undertaking Shareholders (as defined herein) have each given an irrevocable undertaking to subscribe for their respective entitlements to the Rights Shares and/or Excess Rights Shares with Warrants, as the case may be, under the Rights Cum Warrants Issue, either by way of (a) cash; and/or (b) offset against outstanding amounts owed by the Company to the respective Undertaking Shareholders (collectively, the "**Irrevocable Undertakings**").

2.2 Please refer to the table set out in Appendix I to this announcement for information on the "**Undertaking Shareholders**", together with corresponding details on their respective Irrevocable Undertakings as well as their respective resultant shareholding interests in the Company based on the Minimum Subscription Scenario (as defined below) and assuming full conversion of their respective Warrants.

2.3 Based on the Irrevocable Undertakings, the Undertaking Shareholders (who collectively hold 274,132,701 Shares, representing 41.91% of the existing issued and paid-up share capital of the Company), have undertaken to subscribe for 324,615,392 Rights Shares and 198,800,000 Excess Rights Shares with Warrants. Taking into consideration the set-off of subscription monies against the sums owed by the Company to the respective Undertaking Shareholders (excluding the AOF Group) ("**Set-off Arrangements**"), the aggregate amount of monies (in cash) that will be raised from the Undertaking Shareholders will amount to S$0.5 million under the Minimum Subscription Scenario (as defined below).

2.4 Pursuant to the Irrevocable Undertakings of each of the Undertaking Shareholders (except for the AOF Group):

(a) Each of the Undertaking Shareholders who will be subscribing for their *pro rata* entitlement to the Rights Shares on the Record Date has irrevocably agreed and undertaken to the Company that, *inter alia*:

(i) they will not dispose of, charge, pledge or otherwise encumber or grant any option or right over any Shares that they now or in the future hold or control during the period commencing from the date of the Irrevocable Undertaking, until the Rights Cum Warrants Issue and any other ancillary resolutions including but not limited to whitewash waiver and any potential transfer of controlling interest (if applicable) ("**Relevant Resolutions**") are approved and/or ratified at any forthcoming general meeting of the Company (and such adjournments thereof) ("**GM**") and the Relevant Resolutions (and such other incidental transactions in connection with the Relevant Resolutions) being carried out in full;

(ii) they will exercise, or procure the exercise of, all voting rights attached to the Shares that they now hold or may hold in the future (whether in their name or our nominee's or agent's names) at any GM to approve and/or ratify the Relevant Resolutions (and such other incidental transactions in connection with the Relevant Resolutions), unless prevented from doing so by any applicable rules or regulations or by any relevant regulatory authority; and

(iii) they will not later than the last day for the acceptance and payment of the Rights Shares,

(A) to fully subscribe for their *pro rata* entitlement to the Rights Shares on the Record Date; and

(B) to pay or procure to be paid to the Company the net amount of the subscription monies (after deducting the relevant set off amount, if any), of which a cashier's order shall be drawn in favor of the Company's designated rights issue account for the entitled Rights Shares.

2.5 The AOF Group who will be applying for Excess Rights Shares with Warrants has irrevocably jointly and severally, agree and undertaken to the Company that, *inter alia*:

(i) they will exercise all voting rights attached to the Shares that they now hold or may hold in the future (whether in their name or our nominee's or agent's names) at any GM to approve and/or ratify any Relevant Resolutions and such other incidental transactions in connection with the Relevant Resolutions, unless prevented from doing so by any applicable rules or regulations or by any relevant regulatory authority; and

(ii) they will submit all applications to apply for and if successfully allotted, to subscribe for and purchase 100,000,000 Excess Rights Shares with Warrants at the Issue Price for an aggregate sum of S$500,000 in the event there are any Rights Shares which remains unsubscribed for by the Entitled Shareholders at the closing date of the Rights Cum Warrants Issue.

2.6 SCH who will be applying for both his *pro rata* entitlement to the Rights Shares on the Record Date as well as the Excess Rights Shares with Warrants has irrevocably agreed and undertaken to the Company that, *inter alia,* and in addition to the undertakings set out in paragraph 2.4(a) above:

(i) he will submit all applications to apply for and if successfully allotted, to subscribe for and purchase 98,800,000 Excess Rights Shares with Warrants at the Issue Price in the event there are any Rights Shares which remains unsubscribed for by the Entitled Shareholders at the closing date of the Rights Cum Warrants Issue. For the avoidance of doubt, the subscription monies for 98,800,000 Excess Rights Shares with Warrants by SCH will be partially set off against the sums owed by the Company to him in regard to loans provided by SCH in his capacity as a substantial shareholder of the Company.

2.7 The Irrevocable Undertakings will be conditional upon:

(a) the receipt of the listing and quotation notice for the dealing in, listing of and quotation for the Rights Shares, Warrants and Warrant Shares on the Catalist having been issued by the SGX-ST;

(b) the Company obtaining the specific approval of the Shareholders for the Relevant Resolutions at an extraordinary general meeting to be convened;

(c) the lodgement of the Offer Information Statement, together with all other accompanying documents (if applicable) in respect of the Rights Cum Warrants Issue with the SGX-ST, acting as an agent on behalf of the MAS;

(d) there being an adequate spread of holdings of the Warrants to provide for an orderly market in the trading of the Warrants; and

(e) if applicable:

(i) the Securities Industry Council granting any substantial Shareholder of the Company a waiver of its obligation to make a mandatory offer under Rule 14 of the Code, which may arise following the allotment of Rights Shares to such substantial Shareholder; and

(ii) the specific approval of independent Shareholders at a GM waiving their rights from receiving a general offer from relevant Undertaking Shareholders for all the Shares not already owned or controlled by such Shareholders following the allotment and issue of the Rights Shares which triggers the obligation under the Code to make the said general offer.

2.8 Depending on the level of subscription for the Rights Shares with Warrants, the Undertaking Shareholders have acknowledged that the Company may scale down the subscription of the Rights Shares with Warrants by the Shareholders and/or the allocation to and/or subscription of Excess Rights Shares with Warrants (as the case may be) to (a) avoid placing any Undertaking Shareholder and parties acting in concert with it, if any, in a position of incurring a mandatory general offer obligation under the Code, and/or (b) avoid the transfer of a controlling interest in the Company, which is prohibited under Rule 803 of the Catalist Rules, unless prior approval of Shareholders is obtained in a GM.

2.9 No commission or fee will be paid to the Undertaking Shareholders in connection with the provision or execution of the respective Irrevocable Undertakings.

2.10 The Undertaking Shareholders (except for the AOF Group) will be subscribing for their respective entitlements to the Rights Shares and/or Excess Rights Shares with Warrants via the Set-off Arrangements, and accordingly, no confirmation of financial resources will be provided by such Undertaking Shareholders. The AOF Group will provide the necessary financial resources confirmation to the Company in due course.

3. UPDATE ON THE SIZE OF THE RIGHTS CUM WARRANTS ISSUE

3.1 Following the receipt of the Irrevocable Undertakings and based on the Company's existing issued and paid-up share capital of 654,041,509 Shares, the size of the Rights Cum Warrants Issue have been updated as follows:

(a) assuming that:

(i) no new Shares (and none of the remaining 74,972,617 Maximum Conversion Shares arising from the conversion of the Notes) are issued on or prior to the Record Date;

(ii) none of the Entitled Shareholders (other than the Undertaking Shareholders) subscribes for their entitled Rights Shares under the Rights Cum Warrants Issue; and

(iii) the Undertaking Shareholders subscribe for their entitled Rights Shares and/or Excess Rights Shares with Warrants, as the case may be, in accordance with the respective Irrevocable Undertakings,

the Company will issue up to 523,415,392 Rights Shares with up to 348,943,593 Warrants, fractional entitlements to be disregarded ("**Minimum Subscription Scenario**"). In such scenario, the issued and paid-up share capital of the Company will increase (a) from 654,041,509 Shares to 1,177,456,901 Shares, following the issuance of all the Rights Shares but excluding the issuance of any Warrant Shares; and (b) from 654,041,509 Shares to 1,526,400,494 Shares, following the issuance of all the Rights Shares and Warrant Shares (assuming fully exercised).

(b) assuming that:

(i) no new Shares are issued on or prior to the Record Date;

(ii) the remaining 74,972,617 Maximum Conversion Shares (arising from the conversion of the Notes) are fully issued on or prior to the Record Date;

(iii) the Undertaking Shareholders subscribe for their entitled Rights Shares and/or Excess Rights Shares with Warrants, as the case may be, by way of cash or the Set-off Arrangements in accordance with the respective Irrevocable Undertakings; and

(iv) all Entitled Shareholders subscribe for their entitled Rights Shares under the Rights Cum Warrants Issue,

the Company will issue up to 1,093,521,189 Rights Shares with up to 729,014,126 Warrants, fractional entitlements to be disregarded ("**Maximum Subscription Scenario**"). In such scenario, the issued and paid-up share capital of the Company will increase (a) from 654,041,509 Shares to 1,882,535,315 Shares, following the issuance of all the Rights Shares but excluding the issuance of Warrant Shares; and (b) from 654,041,509 Shares to 2,551,549,441 Shares, following the issuance of all the Rights Shares and Warrant Shares (assuming fully exercised).

4. UPDATE ON THE USE OF PROCEEDS

4.1 Following the receipt of the Irrevocable Undertakings, the Board wishes to update that the Net Proceeds, after deducting estimated expenses in connection with the Rights Cum Warrants Issue of approximately S$0.3 million ("**RI Expenses**"), is expected to be approximately:

(a) S$2.3 million under the Minimum Subscription Scenario; and

(b) S$5.2 million under the Maximum Subscription Scenario.

4.2 Based on the Irrevocable Undertakings, taking into consideration the Set-off Arrangements of subscription monies against the sums owed by the Company to the Undertaking Shareholders (excluding the AOF Group) of S$1.6 million under the Maximum Subscription Scenario and S$2.1 million under the Minimum Subscription Scenario, the net amount of monies (in cash) that will be raised from the Rights Cum Warrants Issue after deducting the RI Expenses, is expected to be approximately:

(a) S$0.2 million under the Minimum Subscription Scenario; and

(b) S$3.5 million under the Maximum Subscription Scenario.

4.3 The Net Proceeds is intended to be utilized as follows:

Use of Net Proceeds	**Minimum Subscription Scenario**		**Maximum Subscription Scenario**	
	Amount (S$'million)	**Percentage Allocation (%)**	**Amount (S$'million)**	**Percentage Allocation (%)**
Partial payment of cash consideration to the Vendors for the LSO Acquisition	1.4 (1)	60.9	4.4 (3)	84.6
Partial payment of indebtedness owing to SCH	0.6 (1)	26.1	0.1 (4)	1.9
Partial payment of professional fees owing to ILAW and ZICAP in respect of the LSO Acquisition and the Rights Cum Warrants Issue	0.1 (1)	4.3	0.6 (5)	11.6
General corporate and working capital	0.2 (2)	8.7	0.1 (2)	1.9
Total	2.3	100.0	5.2	100.0

Notes:

(1) This amount will be set off against the subscription monies payable by the respective Undertaking Shareholders for their respective entitled Rights Shares and/or Excess Rights Shares with Warrants pursuant to the Set-off Arrangements. Please refer to paragraph 2.3 of this announcement for further details on the Set-off Arrangements.

(2) The Net Proceeds in cash available for use on closing of the Rights Cum Warrants Issue for general corporate and working capital purposes, including payment by the Company of outstanding professional fees arising from previous corporate exercises (if any).

(3) S$1.4 million will be set off against the subscription monies payable by the respective Vendors for their respective entitled Rights Shares pursuant to the Set-off Arrangements, and the remaining balance will be paid with the Net Proceeds in cash.

(4) S$0.1 million will be set off against the subscription monies payable by SCH for his entitled Rights Shares pursuant to the Set-off Arrangements.

(5) S$0.1 million will be set off against the subscription monies payable by ILAW and ZICAP for their respective entitled Rights Shares pursuant to the Set-off Arrangements, and the remaining balance will be paid with the Net Proceeds in cash.

4.4 Assuming the full issuance of:

(a) 348,943,593 Warrants under the Minimum Subscription Scenario, and all such Warrants issued are exercised, the Company will raise gross proceeds of approximately S$1.0 million; and

(b) 729,014,126 Warrants under the Maximum Subscription Scenario, and all such Warrants issued are exercised, the Company will raise gross proceeds of approximately S$2.2 million.

4.5 The Company intends to utilise the Warrants Proceeds (if and when exercised) for its general corporate and working capital requirements and/or such other purposes as the Directors may in their absolute discretion deem fit.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Irrevocable Undertakings, the Rights Cum Warrants Issue and the Group, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement 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 such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

6. CAUTIONARY STATEMENT

Shareholders and potential investors are advised to exercise caution in trading in the Company's Shares as there is no certainty or assurance that the Rights Cum Warrants Issue will materialise. Shareholders and potential investors are also advised to read this announcement and any further announcements by the Company carefully, and where in doubt as to the action that they should take, they should consult their financial, tax or other professional adviser immediately.

7. FURTHER ANNOUNCEMENTS

The Company will make further announcements relating to the Rights Cum Warrants Issue as may be necessary or appropriate from time to time.

BY ORDER OF THE BOARD
ADVANCED SYSTEMS AUTOMATION LIMITED

Dato' Sri Mohd Sopiyan B Mohd Rashdi
Director
16 October 2024

*This announcement has been prepared by the Company and its contents have been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("**Sponsor**"), in accordance with Rule 226(2)(b) of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") Listing Manual Section B: Rules of Catalist.*

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.

The contact person for the Sponsor is Ms Goh Mei Xian, Director, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.

Appendix I

The table below sets out information on the "**Undertaking Shareholders**", together with corresponding details on their respective Irrevocable Undertakings as well as their respective resultant shareholding interests in the Company based on the Minimum Subscription Scenario and assuming full conversion of their respective Warrants:

No.	Name of Undertaking Shareholders	No. of Shares held as at the date of this announcement / Percentage[1] (%)	No. of entitled Rights Shares[2]	No. of entitled Rights Shares undertaken	No. of Excess Rights Shares with Warrants undertaken	Total Subscription Amount[3] (S$)	Subscription Amount in Cash (S$)	No. of entitled Warrants[2]	No. of Shares held after the subscription in accordance with the Irrevocable Undertakings based on the Minimum Subscription Scenario and full exercise of the entitled Warrants / Percentage[8] (%)
(a)	Victoria Lim Yu ("**VLL**")	61,538,462 (9.41%)	92,307,693	92,307,693	-	461,538.47	-[4]	61,538,462	215,384,617 (14.11%)
(b)	Lim Chen Chong ("**LCC**")	61,538,461 (9.41%)	92,307,691	92,307,691	-	461,538.46	-[4]	61,538,460	215,384,612 (14.11%)
(c)	Structured Capital Solutions Inc. ("**SCSI**")	61,538,462 (9.41%)	92,307,693	92,307,693	-	461,538.47	-[4]	61,538,462	215,384,617 (14.11%)
(d)	Advanced Opportunities Fund VCC (acting for and on behalf of and for the account of AOF Singapore Opportunities Fund) ("**AOF VCC**") & Advanced Opportunities Fund I ("**AOF I**") (collectively, the "**AOF Group**")	50,468,339 (7.72%)	75,702,508	-	100,000,000[5]	500,000.00	500,000.00[5]	66,666,666	217,135,005 (14.23%)

No.	Name of Undertaking Shareholders	No. of Shares held as at the date of this announcement / Percentage[1] (%)	No. of entitled Rights Shares[2]	No. of entitled Rights Shares undertaken	No. of Excess Rights Shares with Warrants undertaken	Total Subscription Amount[3] (S$)	Subscription Amount in Cash (S$)	No. of entitled Warrants[2]	No. of Shares held after the subscription in accordance with the Irrevocable Undertakings based on the Minimum Subscription Scenario and full exercise of the entitled Warrants / Percentage[8] (%)
(e)	Seah Chong Hoe ("**SCH**")	17,948,723 (2.74%)	26,923,084	26,923,084	98,800,000[6]	628,615.42	-[6]	83,815,389	227,487,196 (14.90%)
(f)	Insights Law LLC ("**ILAW**")	6,153,846 (0.94%)	9,230,769	9,230,769	-	46,153.85	-[7]	6,153,846	21,538,461 (1.41%)
(g)	ZICO Capital Pte. Ltd. ("**ZICAP**")	7,692,308 (1.18%)	11,538,462	11,538,462	-	57,692.31	-[7]	7,692,308	26,923,078 (1.76%)
Total		266,878,601 (40.80%)	400,317,900	324,615,392	198,800,000	2,617,076.96	500,000.00	348,943,593	1,139,237,586 (74.64%)

Notes:

(1) Based on the Company's existing issued and paid-up share capital of 654,041,509 Shares and the respective Undertaking Shareholder's number of Shares held as at the date of this announcement.

(2) Fractional entitlements are disregarded.

(3) Based on the Issue Price of S$0.005 for each Rights Share.

(4) VLL, LCC and SCSI have each agreed that 100% of the subscription monies payable for their respective entitlements under the Rights Cum Warrants Issue will be set off against a portion of the cash consideration owed by the Company to them in their respective capacity as Vendors in connection with the LSO Acquisition. As at the date of this announcement, the outstanding cash consideration payable to the Vendors for the LSO Acquisition amounts to an aggregate of S$6.0 million. Upon the offsetting of the said subscription monies for their respective entitlements under the Rights Cum Warrants Issue against such amounts owed to them by the Company, the remaining cash consideration owed by the Company to each of VLL, LCC and SCSI will be reduced to approximately S$1.54 million.

(5) AOF I and AOF VCC, have agreed that they will be, jointly and severally, apply for and if successfully allotted, subscribe for 100,000,000 Excess Rights Shares with Warrants in cash in the event that there are any Rights Shares which remain unsubscribed for by the Entitled Shareholders at the closing date of the Rights Cum Warrants Issue.

(6) SCH has agreed that 100% of the subscription monies payable for his entitlements under the Rights Cum Warrants Issue, and his application for the 98,800,000 Excess Rights Shares with Warrants that remain unsubscribed by the Entitled Shareholders at the closing date of the Rights Cum Warrants Issue after satisfying all applications and excess applications (if any) of the Rights Shares, will be partially set off against the sums owed by the Company to him in regard to loans provided by SCH in his capacity as a substantial shareholder of the Company, for working capital purposes.

(7) ILAW and ZICAP have each agreed that 100% of the subscription monies payable for their respective entitlements under the Rights Cum Warrants Issue will be set off against a portion of the outstanding professional fees owed by the Company to ILAW and ZICAP respectively, for their professional services rendered in connection with the LSO Acquisition.

(8) Based on the Company's enlarged issued and paid-up share capital of 1,526,400,494 Shares under the Minimum Subscription Scenario after the completion of the Rights Cum Warrants Issue and assuming the full exercise of the entitled Warrants by the respective Undertaking Shareholders.