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

QUERIES FROM SINGAPORE EXCHANGE REGULATION ("SGX REGCO")

The Board of Directors (the "**Board**") of Advanced Systems Automation Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the Company's announcements dated 30 June 2026 and the Company's responses to SGX's queries dated16 July 2026 and 22 July 2026 in relation to the revised timeline for holding the Annual Meeting for the financial year ended 31 December 2025 ("FY2025") and for the issuance of the Annual Report 2025.

The Company wishes to announce that it had received queries from SGX RegCo on 12 August 2026 in relation to the responses published on 16 July 2026.

Query 1

We refer to the Company's response to RegCo queries announced on 16 July 2026, in which the Company stated that "The audit for FY2025 is expected to be completed for the Annual Report 2025 to be issued by 31 July 2026. The AGM is expected to be convened by 15 August 2026." We note that the Company has not released its Annual Report nor convened its AGM.

Please explain the reasons for the delay and provide the revised timeline for issuance of its Annual Report 2025 and the convening of the Annual General Meeting.

Company's Response

The Company is in the final stages of the audit for FY2025 and is finalizing the financial statements for FY2025 with its external auditors. The Company expects to issue its Annual Report 2025 on 21 August 2026 and convene the Annual General Meeting on 7 September 2026.

Query 2

We refer to the Company's response to RegCo queries announced on 22 July 2026, in which the Company stated that "The Board has also been informed that an internal audit by an independent internal auditor to review the Group's internal controls and record-keeping processes has been completed and the report for which is due to be finalized, pending the payment of the internal audit fees."

(i) Please confirm whether the Company has since paid the outstanding fees and whether the final internal audit report has been issued.

(ii) Please disclose: (a) the material findings and recommendations; (b) the remedial measures implemented or proposed by the Company; (c) the target completion date for each outstanding

remedial measure; and (d) whether the Board is of the view that the findings have been fully addressed and the Group's internal controls and record-keeping processes are adequate and effective, and the bases for such view.

(iii) If the audit report has not been issued, please explain the reasons for the delay and provide the expected dates for payment of outstanding fees and issuance of the final report.

Company's Response

(i) The Company has made the full and final payment to the internal auditors. The final internal audit report was issued by the internal auditors on 5 August 2026.

(ii) The Company refers to the internal audit report dated 5 August 2026 for (a) the material findings and recommendations; (b) the remedial measures suggested and (partially) implemented by the Company, and (c) the target completion date for remedial measures that have not been implemented.

The Company appointed Acclime Risk Advisory Pte. Ltd. ("Acclime") on 6 March 2026 to conduct an internal controls review relating principally to FY2025. Acclime conducted its fieldwork from 16 March 2026 to 27 March 2026 and the review covered the following areas:

- high-level governance and control environment;
- revenue and receivables management;
- procurement and payables management;
- treasury management;
- information-technology general controls;
- interested-person transactions;
- sustainability reporting; and
- follow-up of prior-year findings relating to Pioneer Venture Pte. Ltd.

The Board and management had considered the nature and significance of the abovementioned matters together with the matters forming the bases of the external auditor's disclaimer of opinion on the consolidated financial statements for the financial year ended 31 December 2024 ("FY2024") before confirming the scope of the internal audit with the internal auditor.

During the course of their internal audit, Acclime identified 25 findings, comprising nine High-rated findings, 12 Medium-rated findings and four Low-rated findings. The findings were not limited to the absence of formal policies. They included deficiencies affecting the operation and evidencing of key governance, finance, treasury, procurement, payment, information-technology, sustainability and regulatory processes. In their audit report, Acclime also stated the limitations they had encountered in obtaining sufficient and appropriate audit evidence in relation to certain information technology general controls and interested party transactions ("IPTs").

In particular, Acclime's review identified:

- an incomplete availability of certain historical governance records;
- the absence of a complete and consistently maintained register of interested persons and related parties;
- weaknesses in the identification, assessment, approval and documentation of interested-persons transactions ("IPTs") and related-party transactions ("RPTs");
- the absence of a sufficiently formalised annual budgeting and budget-to-actual monitoring process;

- weaknesses in procurement initiation, quotation evaluation, vendor onboarding, purchase approvals and payment documentation;
- deficiencies in segregation of duties over banking and payment processes;
- incomplete evidence of timely preparation and independent review of bank reconciliations;
- weaknesses in the administration of bank mandates, authorised signatories, access rights and security tokens;
- incomplete documentation of IT policies, user-access management, backup, recovery and vendor controls;
- insufficient governance and supporting evidence for sustainability reporting; and
- incomplete implementation of prior-year internal-audit recommendations.

Acclime had codified the above findings with specific examples and had proposed a raft of remedial recommendations, for which the management had accepted (and noted by Acclime in their report) and had commenced a programme of corrective action.

Following the internal-audit review, the Board designated the COO and Group General Counsel to be jointly responsible for overseeing the Group-wide implementation of the remediation programme. The Group Finance Manager will also support the implementation and verification of finance-related remediation measures.

At the subsidiary level, the General Manager and Finance Head of each subsidiary are jointly made responsible for the local implementation, maintenance of supporting evidence and reporting on the implementation progress. They are required to provide progress reports to the COO and Group General Counsel on a fortnightly basis.

The principal remedial measures include:

- implementing the Board-approved Group Governance Manual and Delegation of Authority (“DOA”) framework;
- reviewing and updating the historical policies, procedures and the employee handbook;
- strengthening financial-reporting, treasury, procurement and payment controls;
- formalising the preparation, documentation and review of monthly bank reconciliations;
- strengthening vendor-onboarding and accounts-payable procedures;
- improving supporting-document and approval requirements;
- establishing a formal process for identifying, monitoring and reviewing related-party and interested-person transactions;
- strengthening information-technology access, email, backup, security and vendor-management controls;
- strengthening sustainability-reporting governance and supporting records; and
- tracking the implementation of internal-audit recommendations and retaining evidence of completion.

At the same time, the Board and Audit Committee obtained appropriate information and assurances from the Executive Directors and members of Management responsible for the relevant functions. Such assurances address, where applicable:

- the maintenance of proper financial and operational records;
- the preparation and completeness of financial information;
- the identification and escalation of material risks;
- compliance with approved authority limits and internal procedures;
- the completeness and accuracy of information provided to the Board, auditors, Sponsor and regulators; and
- the implementation status of material internal-control recommendations, eg. the setting

The Board is in the process of formalising these assurances in writing and expects to complete this by 30 September 2026. Prior to that, assurances were obtained verbally in the course of Board and Management meetings.

In addition, the Board also reviewed the implementation timetable having regard to the significance of the abovementioned findings. Immediate control changes relating to payment approvals, banking access, preservation of records, IPTs and escalation of material matters were implemented without delay. The principal Group policies, finance, treasury, procurement, IPT/RPT, IT and subsidiary-control measures are targeted for progressive implementation during August and September 2026.

The status and target completion dates of the principal remediation measures are set out below:

Area	Finding severity	Remedial measure	Status	Target completion
Governance / Board records	High	Board-approved Governance Manual & Delegation of Authority framework	**Implemented** — approved and took effect 15 April 2026, comprising the DOA Policy, Financial Approval Matrix, procurement governance requirements, Catalist compliance controls and ARC Charter	Implemented 15 April 2026
IPT/ RPT	High	Establishment of IPT/RPT register and approval process	**Partially implemented** — register and supporting procedures already implemented as of 30 July 2026 and reconstructed transaction schedule prepared, but (i) not yet reviewed/confirmed by Acclime, (ii) specific matters (LSO BVI loan, Food Steward acquisition, IPT consultation paper) still pending Board determination and proposed EGM ratification	Register: implemented 30 July 2026. EGM ratification: targeted after the AGM.
Treasury / banking	High	Bank mandate,	**Partially implemented** —	Immediate measures: done. Full

Area	Finding severity	Remedial measure	Status	Target completion
		signatory and access review	immediate changes to payment approvals and banking access stated as implemented without delay; formal bank reconciliation review/documentation still being formalised under Group Finance Manager's reporting timetable (recons due 7th working day post month-end)	formalisation: within the Aug–Sept 2026 progressive implementation window.
Procurement	Medium	Vendor onboarding & payment documentation controls	**In progress** — revised procurement/vendor-management procedures and approval/supporting-document controls being implemented.	Targeted for progressive implementation during August–September 2026
IT general controls	Medium	Access management, backup, vendor controls	**In progress.**	Progressive implementation Aug–Sept 2026.
Sustainability reporting	Medium	Governance and supporting records	**In progress**.	Progressive implementation Aug–Sept 2026.

Apart from the matters set out above, the internal audit and the Board's own review identified the following specific IPTs that may require disclosure:

- Loan to Lim Shrimp Organisation Limited: The Board is currently reviewing whether shareholder ratification is required under Chapter 9 of the Catalist Rules and will make a further announcement in this regard.
- Acquisition of LSO Pacific Pte Ltd (formerly known as Food Steward Pte Ltd): The Board has since been briefed on the transaction and is considering whether ratification and/or shareholder approval is required, and whether any other governance or disclosure steps are necessary.

The Board acknowledges that no complete and consistently maintained IPT/RPT register was in place covering the period during which the abovementioned transactions occurred. A register has since been established as part of the remediation programme referred to above.

The Board and Company are currently examining if there are any other matters that will require further remediation and/or ratification, for example by way of convening an Extraordinary General Meeting to obtain shareholders' approval, etc.,

The Board has also taken cognisance of the Company and Group's current financial resources in setting up the abovementioned timelines. For the time being, a formal review of the implementation status will be conducted internally, on 30 September 2026, by the COO, Group General Counsel and Group Finance Manager. Any material item remaining incomplete at that date will be reported to the Audit Committee together with the reason(s) for delay, the person accountable and a revised completion deadline.

As the findings identified by the internal auditor were not limited to the absence of formal policies or procedures, but also included deficiencies affecting the operation, documentation and evidencing of key governance, financial, treasury, procurement, payment, information-technology, sustainability and regulatory processes. As at the date of this response, the Board is of the view that the findings identified by the internal audit have been substantially addressed through immediate remedial actions already implemented, particularly in relation to payment approvals, banking access, preservation of records and escalation of material matters. The Board recognises that certain remediation measures — including the formalisation of Group-wide policies, the IPT/RPT register and related governance processes — remain in progress and are targeted for completion in accordance with the timeline set out above. The Board does not consider the Group's internal controls to be fully remediated at this juncture but is satisfied that the interim measures in place, together with the oversight described above, provide an adequate control environment pending full implementation.

The Board and management are in discussions with Acclime on the timeline for the internal audit for the financial year ending 31 December 2026 ("FY2026") and target to commence the internal audit for FY2026 on 2 November 2026. The assessment of the remediation measures mentioned above will form part of the scope of the internal audit for FY2026.

(iii) Please refer to the response in (i).

Query 3

Given the delays in the issuance of the Annual Report 2025, please confirm whether the Company remains on track to announce its financial results for the six months ended 30 June 2026 within the prescribed deadline. If not, please explain the reasons and provide the expected date of announcement.

Company's Response

As additional time was required by the Company's external auditors to complete the audit for the financial year ended 31 December 2025 ("FY2025") – the closing trial balance for which accounts will impact the opening balance for the financial year ending 31 December 2026 ("FY2026) – the Company will be delayed in releasing its financial results for the six months ended 30 June 2026. The Company is in the final stages of the audit for FY2025 and is finalizing the financial statements for FY2025 with its external auditors. Following the completion of the audit for FY2025, the Company will be able to release its financial results for Q1FY2026 and HY2026 by 15 October 2026.

Query 4

Please provide the Board's confirmation as to whether sufficient information has been disclosed to enable trading of the Company's shares to continue in an orderly manner, and the bases for its views.

Company's Response

The Board confirms that sufficient information has been disclosed to enable the trading of the Company's shares to continue in an orderly manner, and that all material information relating to the Group has been duly made public.

The Board bases its assessment on the following:

- Comprehensive disclosure of material facts: The Company ensures prompt, transparent disclosures via SGXNet regarding major corporate updates, unaudited financial statements, transactional activities (such as warrants conversion and charges in shareholdings interests, etc.), and operational developments. The delay in completing the FY2025 audit — and consequently in releasing the FY2025 audited results and the 1Q2026/HY2026 unaudited results, given that the FY2025 closing balance affects the FY2026 opening balance — arose from the additional time required to recover and substantiate supporting financial documentation for FY2024 and FY2025, rather than from any decision to withhold information. Notwithstanding this delay, the Board is satisfied that all material information concerning the financial position of the Group has continued to be disclosed to shareholders through the Company's other SGXNet announcements issued during the intervening period.
- Effect of the delay on comprehensiveness of disclosure: The Board has specifically considered whether the delay in releasing audited and interim results has impaired the comprehensiveness of disclosure to Shareholders, and is of the view that it has not, for the following reasons: (i) the delay arises from a discrete and disclosed cause — the additional time required to complete the FY2025 audit — rather than from the suppression of adverse information; (ii) the Company has kept Shareholders informed of the reasons for, and progress of, the delay through successive SGXNet announcements, including its extension-of-time application, SGX RegCo's rejection of that application, and revised indicative timelines; and (iii) material developments arising during the delay period — including the settlement with ASTI Holdings Limited, the statutory demand from Zico Capital Pte Ltd statutory demand, and the proposed debt-to-equity and disposal of the LSO Group— have been separately announced as they arose, rather than held back pending completion of the audit. The Board therefore does not consider that the delay, of itself, has resulted in Shareholders being deprived of material information necessary to trade in the Company's Shares on an informed basis.
- No undisclosed material information: The Board affirms that it is not aware of any undisclosed material information or developments that would necessitate withholding or require a trading halt to prevent a false market.
- Operational and financial continuity: Where specific queries or extraordinary events have arisen, the Board carefully evaluates their financial impact. If an event is assessed not to have a material adverse impact on the Group's overall financial position—and the Group continues to operate in the ordinary course of business—the Board determines that investors possess adequate context to evaluate the stock.
- Going concern assumption: The Board's views and justifications supporting the Company's going concern status are anchored on several key operational and financial assumptions, strategic measures, and active debt-management steps, that include:
    - sales projections from the Group's operating subsidiaries;
    - asset disposals and major transactions such as the implementation of planned major corporate moves designed to streamline operations and inject liquidity—such as the proposed disposal of the LSO Group;

- corporate and capital restructuring, eg. the execution of debt-to-equity arrangements, debt settlement agreements, and other capital-strengthening exercises to clean up the balance sheet;
- debt stays and settlement agreements with note holders and creditors such as ASTI Holdings Limited, etc,
- active management of claims to mitigate immediate liquidity shocks, eg. from the statutory demand received from Zico Capital Pte. Ltd.
- rebuilding records by the management and external professionals to reconstruct financial records and fulfill documentation requests, and
- internal audits and new hires to stabilize corporate governance and ensure transparent reporting going forward, among other measures.

By Order of the Board
ADVANCED SYSTEMS AUTOMATION LIMITED

CHNG HEE KOK
Non-Executive Chairman
20 August 2026

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*This announcement has been reviewed by the Company's Sponsor, Asian Corporate Advisors Pte. Ltd. (the "**Sponsor**"). It has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**Exchange**") and the Exchange 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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