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

RESPONSE TO QUERIES FROM SGX REGCO

The board of directors ("**Board**" or "**Directors**") of Advanced Systems Automation Limited ("**Company**") refers to the Company's circular to the shareholders of the Company dated 24 October 2024 ("**Circular**") in relation to the 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) free warrants for every three (3) rights shares subscribed, fractional entitlements to be disregarded (the "**Rights Cum Warrants Issue**").

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

The Board wishes to inform that Singapore Exchange Regulation Pte Ltd ("**SGX**") had raised some queries in respect of the Circular and the following are the Company's responses to SGX's queries.

SGX Query 1

As set out in Section 2.9.9 of the Circular, the AOF Group will provide the necessary financial resources confirmation to the Company in due course in support of its undertaking to subscribe for up to 100,000,000 Excess Rights Shares with Warrants.

For illustration purposes, please disclose the revised minimum subscription scenario in the event that the AOF Group does not subscribe for any of the Excess Rights Shares with Warrants, and the resultant effects on, *inter alia*, the Company's issued and paid-up share capital, Net Proceeds, financial effects, interests of Directors and substantial shareholders and details of the irrevocable undertakings.

Company's response

1. Additional assumption on Minimum Subscription Scenario ("**Additional Assumption**") for illustrative purposes

   Assuming, for illustrative purposes only, that:

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

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

   (c) the AOF Group does not subscribe for any of the Excess Rights Shares with Warrants; and

   (d) save as item (c) above, 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 423,415,392 Rights Shares with up to 282,276,927 Warrants, fractional entitlements to be disregarded ("**Ex-AOF Minimum Subscription Scenario**"). In such scenario, the issued and paid-up share capital of the Company will increase (i) from 654,041,509 to 1,077,456,901 Shares, following the issuance of all the Rights Shares but excluding the issuance of any Warrants Shares; and (ii) from 654,041,509 to 1,359,733,828 Shares, following the issuance of all the Rights Shares and Warrants Shares (assuming fully exercised).

2. Use of Net Proceeds for the Rights Cum Warrants Issue

2.1 Under the Ex-AOF Minimum Subscription Scenario, there will not be any cash proceeds raised from the Rights Cum Warrants Issue, as the subscription monies payable by the Undertaking Shareholders (excluding the AOF Group) are to be set-off against the outstanding sums owed by the Company to such respective Undertaking Shareholders. The estimated expenses in connection with the Rights Cum Warrants Issue of approximately S$0.3 million will be funded by the Company with its internal resources. However, this is solely for illustrative purposes only as the Company requires meaningful funds to be raised pursuant to the Rights Cum Warrants Issue, as elaborated under its rationale for the Rights Cum Warrants Issue set out in paragraph 2.10 of the Circular.

Use of Gross Proceeds	**Ex-AOF Minimum Subscription Scenario**	
	Amount (S$'million)	**Percentage Allocation (%)**
Partial payment of the cash consideration to the Vendors for the LSO Acquisition	1.4(1)	66.7
Partial payment of the indebtedness owing to SCH	0.6(1)	28.5
Partial payment of professional fees owing to ILAW and ZICAP in respect of the LSO Acquisition	0.1(1)	4.8
Total	2.1	100.0

Note:

(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 Section 2.9 of the Circular for further details.

2.2 For illustrative purpose, assuming the full issuance of 282,276,927 Warrants under the Ex-AOF Minimum Subscription Scenario, and all such Warrants issued are exercised, the Company will raise gross proceeds of approximately S$0.8 million.

3. Interests of Directors and Substantial Shareholders

Based on the Ex-AOF Minimum Subscription Scenario, the interests of the Directors and the Substantial Shareholders in Shares are set out in the table below:

Parties	**As at this announcement**				**Resultant of Shares after Ex-AOF Minimum Subscription Scenario (assuming all entitled Warrants are fully exercised)**			
	Direct Interest		**Deemed Interest**		**Direct Interest**		**Deemed Interest**	
	Number of Shares	**%(1)**	**Number of Shares**	**%(1)**	**Number of Shares**	**%(2)**	**Number of Shares**	**%(2)**
Directors								
SCH	17,948,723	2.74	-	-	227,487,196	16.73	-	-
LCC	61,538,461	9.41	-	-	215,384,612	15.84	-	-
Dato' Sri Mohd. Sopiyan B. Mohd. Rashdi	-	-	-	-	-	-	-	-
Mandie Chong Man Sui	-	-	-	-	-	-	-	-
Steven Shen Hing	-	-	-	-	-	-	-	-
Chng Hee Kok	-	-	-	-	-	-	-	-
Ling Chung Yee, Roy	-	-	-	-	-	-	-	-

Parties	As at this announcement				Resultant of Shares after Ex-AOF Minimum Subscription Scenario (assuming all entitled Warrants are fully exercised)			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	Number of Shares	%(1)	Number of Shares	%(1)	Number of Shares	%(2)	Number of Shares	%(2)
Substantial Shareholders								
VLL	61,538,462	9.41	-	-	215,384,617	15.84	-	-
SCSI	61,538,462	9.41	-	-	215,384,617	15.84	-	-
Lee Su Hui Lena	-	-	76,923,076(3)	11.76	-	-	76,923,076(3)	5.66
Dato' Michael Loh Soon Gnee	68,376,068	10.45	-	-	68,376,068	5.03	-	-

Notes:

(1) The percentage of shareholding is calculated based on 654,041,509 Shares as at the date of this announcement.

(2) The percentage of shareholding is calculated based on the total enlarged issued and paid-up share capital of the Company, comprising 1,359,733,828 Shares in the Ex-AOF Minimum Subscription Scenario, following the issuance of the relevant Rights Shares and Warrants Shares (assuming fully exercised).

(3) Lee Su Hui Lena is deemed interested in the Shares held by nominees.

4. Potential transfer of controlling interest

4.1.1 Rule 803 of the Catalist Rules provides that an issuer must not issue securities to transfer a controlling interest without prior approval of shareholders in general meeting.

4.1.2 Pursuant to the Ex-AOF Minimum Subscription Scenario, each of SCH, LCC, VLL and SCSI ("**Relevant Parties**") may potentially acquire a controlling interest in the Company. In such an event, Relevant Parties have each acknowledged in their respective Irrevocable Undertakings that the Company will, as necessary, scale down the Relevant Parties' applications for their entitlement to Rights Shares with Warrants or Excess Rights Shares with Warrants, as the case may be, allotted and issued to the Relevant Parties so that it will not result in each of the Relevant Parties holding more than 15.0% of the enlarged issued and paid-up share capital of the Company after the Rights Cum Warrants Issue.

5. Financial effects of the Rights Cum Warrants Issue

5.1 Bases and Assumptions

The *pro forma* financial effects of the Rights Cum Warrants Issue on the Group are presented **purely for illustrative purposes only and does not purport to be indicative or a projection of** the actual results and financial position of the Company and/or the Group immediately after the completion of the Rights Cum Warrants Issue.

The *pro forma* financial effects of the Rights Cum Warrants Issue have been computed based on the audited consolidated financial statements of the Group for FY2023, on the following bases and assumptions:

(a) the financial effects on the consolidated NTA per Share of the Group and the gearing of the Group is computed on the assumption that (i) the Share Consolidation; (ii) the LSO Acquisition; (iii) the RCN Issuance; and (iv) the Rights Cum Warrants Issue were completed on 31 December 2023. Please refer to the Company's circulars to Shareholders dated 14 December 2023 and 5 July 2024 for information on the bases and assumptions used in the computation of the financial effects arising from the Share Consolidation, the LSO Acquisition, and the RCN Issuance;

(b) the financial effects on the EPS of the Group is computed on the assumption that (i) the Share Consolidation; (ii) the LSO Acquisition; (iii) the RCN Issuance and specifically, the drawdown of S$2.0 million via the T2 Notes pursuant to the RCN Issuance; and (iv) the Rights Cum Warrants Issue were completed on 1 January 2023. Please refer to the Company's circulars to Shareholders dated 14 December 2023 and 5 July 2024 for information on the bases and assumptions used in the computation of the financial effects arising from the Share Consolidation, the LSO Acquisition, and the RCN Issuance;

(c) for the Maximum Subscription Scenario, it is assumed that the remaining Conversion Shares of 74,972,617 are allotted and issued pursuant to the RCN Issuance (at an issue price of S$0.0144, being the closing price on the date of this announcement) and all Warrants are exercised and an aggregate of 729,014,126 Warrants Shares are allotted and issued, and the Company raised additional gross proceeds of approximately S$2.2 million from the full exercise of the Warrants;

(d) for the Minimum Subscription Scenario, it is assumed that the Company did not issue any of the remaining 74,972,617 Conversion Shares, the Undertaking Shareholders did not exercise the Warrants, no allotment and issuance of any Warrants Shares, with no additional proceeds raised by the Company from the Warrants;

(e) for the Ex-AOF Minimum Subscription Scenario, it is assumed that the Company did not issue any of the remaining 74,972,617 Conversion Shares, the Undertaking Shareholders (excluding AOF Group) did not exercise the Warrants, no allotment and issuance of any Warrants Shares, with no additional proceeds raised by the Company from the Warrants; and

(f) the estimated expenses that may be incurred in connection with the Rights Cum Warrants Issue is approximately S$0.3 million.

5.2 Share Capital

As at 31 December 2023	Ex-AOF Minimum Subscription Scenario		Minimum Subscription Scenario		Maximum Subscription Scenario	
	Number of Shares	S$' million	Number of Shares	S$' million	Number of Shares	S$' million
As at the date of this announcement[(1)]	654,041,509	166.60	654,041,509	166.60	729,014,126	167.68
Add: Rights Shares to be issued	423,415,392	2.12	523,415,392	2.62	1,093,521,189	5.47
Add: Warrants Shares to be issued	-	-	-	-	729,014,126	2.19
Resultant enlarged issued and paid-up share capital	1,077,456,901	168.72	1,177,456,901	169.21	2,551,549,441	175.33

Note:

(1) Number of Shares as at the date of this announcement includes the effects of the following corporate actions by the Company that were completed after FY2023:

(a) Share consolidation of every 65 Shares into 1 Share ("**Share Consolidation**") which was completed in June 2024. Please refer to the Company's circular to Shareholders dated 14 December 2023, and the Company's announcements dated 27 October 2023, 31 May 2024, and 11 June 2024 for further information on the Share Consolidation;

(b) Allotment and issuance of an aggregate 96,750,039 Conversion Shares pursuant to the RCN Issuance; and

(c) Allotment and issuance of (i) an aggregate of 184,615,385 Shares to the Vendors, (ii) 15,384,615 Shares to Advance Capital Partners Pte Ltd, (iii) 6,153,846 Shares to ILAW, and (iv) 7,692,308 Shares to ZICAP, pursuant to the LSO Acquisition.

5.3 NTA per Share

As at 31 December 2023	Ex-AOF Minimum Subscription Scenario	Minimum Subscription Scenario	Maximum Subscription Scenario
NTL as at 31 December 2023 (S$' million)	(7.25)	(7.25)	(7.25)
NTA after the Share Consolidation, the LSO Acquisition, and the RCN Issuance	10.05	10.05	11.13
Add: Net proceeds from the Rights Cum Warrants Issue (S$' million)	1.80	2.32	5.17
Adjusted NTA after the Rights Cum Warrants Issue (S$' million)	11.85	12.37	16.30
Before the Rights Cum Warrants Issue			
Number of Shares before the Rights Cum Warrants Issue	654,041,509	654,041,509	729,014,126
NTA per Share after the Share Consolidation, the LSO Acquisition, and the RCN Issuance, but before the Rights Cum Warrants Issue (S$ cents)	1.54	1.54	1.53
After the Rights Cum Warrants Issue			
Number of Shares after the Rights Cum Warrants Issue	1,077,456,901	1,177,456,901	2,551,549,441
Adjusted NTA per Share after the Rights Cum Warrants Issue (S$ cents)	1.10	1.05	0.64

5.4 LPS

For FY2023	Ex-AOF Minimum Subscription Scenario	Minimum Subscription Scenario	Maximum Subscription Scenario
Loss attributable to Shareholders for FY2023 (S$' million)	(4.02)	(4.02)	(4.02)
Adjusted loss attributable to Shareholders after the Share Consolidation, the LSO Acquisition, the RCN Issuance, but before the Rights Cum Warrants Issue	(3.18)	(3.18)	(3.18)
Adjusted loss attributable to Shareholders after the Share Consolidation, the LSO Acquisition, the RCN Issuance, and the Rights Cum Warrants Issue	(3.48)	(3.48)	(3.48)

For FY2023	Ex-AOF Minimum Subscription Scenario	Minimum Subscription Scenario	Maximum Subscription Scenario
Before the Rights Cum Warrants Issue			
Weighted average number of Shares before the Rights Cum Warrants Issue	654,041,509	654,041,509	729,014,126
LPS before the Rights Cum Warrants Issue (S$ cents)	(0.49)	(0.49)	(0.44)
After the Rights Cum Warrants Issue			
Weighted average number of Shares after the Rights Cum Warrants Issue	1,077,456,901	1,177,456,901	2,551,549,441
Adjusted LPS after the Rights Cum Warrants Issue (S$ cents)	(0.32)	(0.30)	(0.14)

5.5 Gearing

As at 31 December 2023	Ex-AOF Minimum Subscription Scenario	Minimum Subscription Scenario	Maximum Subscription Scenario
Before the Rights Cum Warrants Issue			
Total debt as at 31 December 2023 (S$' million)	18.24	18.24	18.24
Total debt after the Share Consolidation, the LSO Acquisition, and the RCN Issuance, but before the Rights Cum Warrants Issue (S$' million)	15.83	15.83	14.75
Shareholders' equity after the Share Consolidation, the LSO Acquisition, and the RCN Issuance, but before the Rights Cum Warrants Issue (S$' million)	10.05	10.05	11.13
Gearing before the Rights Cum Warrants Issue (S$' million)	1.58	1.58	1.33
After the Rights Cum Warrants Issue			
Total debt after the Rights Cum Warrants Issue (S$' million)	15.83	15.83	14.75
Shareholders' equity after the Rights Cum Warrants Issue (S$' million)	11.85	12.37	16.30
Gearing after the Rights Cum Warrants Issue (times)	1.34	1.28	0.91

6. Irrevocable Undertakings

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

SGX Query 2

Please disclose the arrangements for transfer or transmission of the company warrants or other convertible securities, as required under Catalist Rule 832(4).

Company's response

Transfer and Transmission of Warrants

1. Subject to the provisions contained in the Terms and Conditions of the Warrants, the Warrants shall be transferable in lots entitling the Warrantholder to subscribe the whole numbers of Warrants Shares and so that no person shall be recognized by the Company as having title to Warrants entitling the holder thereof to subscribe for a fractional part of a Warrants Share or otherwise than as the sole or joint holder of the entirety of such Warrants Share.

   Subject to applicable law and the Terms and Conditions of the Warrants, a Warrant which is not registered in the name of CDP may only be transferred in accordance with the following provisions of this paragraph:-

   (a) *Lodgement of Certificates and Transfer Form*

   A Warrantholder whose Warrants are registered otherwise than in the name of CDP (the "**Transferor**") shall lodge, during normal business hours on any Market Day so as to be received at the specified office of the Warrant Agent, the Transferor's Warrant Certificate(s) together with an instrument of transfer as prescribed by the Company from time to time (the "**Transfer Form**") duly completed and signed by, or on behalf of, the Transferor and the transferee (the "**Transferee**") and duly stamped in accordance with any law for the time being in force relating to stamp duty and accompanied by the fees and expenses set out in the Deed Poll, provided that the Company and the Warrant Agent may dispense with requiring CDP to sign as transferee any Transfer Form for the transfer of Warrants to it.

   (b) *Furnish Evidence*

   The Transferor shall furnish such evidence (if any) as the Warrant Agent may require to determine the due execution of the Transfer Form by or on behalf of the transferring Warrantholder.

   (c) *Expenses and Documents*

   The Transferor shall pay the expenses of, and submit any necessary documents required by the Warrant Agent in order to effect the delivery of, the new Warrant certificates to be issued in the name of the Transferee.

   (d) *Registration Fee*

   The Transfer Form shall be accompanied by the registration fee, such fee being for the time being a sum of S$2.00 (excluding any goods and services tax) to the Warrant Agent (acting on behalf of the Company) for each Warrant certificate to be transferred and which shall be payable by cash or cheque, together with any stamp duty and goods and services tax (if any) specified by the Warrant Agent to the Transferor, such evidence as the Warrant Agent may require to determine due execution of the Transfer Form and the payment of the expenses of and such documents as the Warrant Agent may require to effect delivery of the new Warrant certificate(s) to be issued in the name of the transferee.

(e) *Errors in Transfer Form*

If the Transfer Form has not been fully or correctly completed by the Transferor or the full amount of the fees and expenses due to the Warrant Agent have not been paid to the Warrant Agent, the Warrant Agent shall return such Transfer Form to the Transferor accompanied by written notice of the omission(s) or error(s) and requesting the Transferor and/or the Transferee, as the case may be, to complete and/or amend the Transfer Form and/or to make the requisite payment.

(f) *Registration and Issue of Warrant Certificate(s)*

If the Transfer Form has been fully and correctly completed, the Warrant Agent shall, as agent for and on behalf of the Company:-

(i) register the person named in the Transfer Form as Transferee in the Register as registered holder of the Warrant in place of the Transferor;

(ii) cancel the Warrant certificate(s) in the name of the Transferor; and

(iii) issue new Warrant certificate(s) in respect of the Warrants registered in the name of the Transferee.

(g) *Deceased Warrantholder*

The executors and administrators (or trustees) of the estate of a deceased Warrantholder whose Warrants are registered otherwise than in the name of CDP (not being one of several joint holders whose Warrants are registered otherwise than in the name of CDP) and, in the case of death of one or more of several such joint Warrantholders, the survivor or survivors of such joint holders shall be the only persons recognised by the Company and the Warrant Agent as having any title to Warrants registered in the name of a deceased Warrantholder. Such persons shall, on producing to the Warrant Agent such evidence as may be required by the Warrant Agent to prove their title, and on the completion of a Transfer Form and the payment of the fees and expenses referred to in sub-paragraph (b) above be entitled to be registered as a holder of the Warrants or to make such transfer as the deceased holder could have made.

(h) *Warrants Registered in CDP's Name*

Where the Warrants are registered in the name of CDP, any transfer of such Warrants shall be effected subject to and in accordance with the Conditions, applicable law and the rules of CDP as amended from time to time and where the Warrants are to be transferred between Depositors, such Warrants must be transferred in the Depository Register by CDP by way of book-entry.

2. Effective Date of Transfer

Each Transferor or Depositor, as the case may be, shall be deemed to remain the registered holder of the Warrants until the name of the transferee is entered in the Register of Warrantholders by the Warrant Agent or in the Depository Register by CDP, as the case may be.

BY ORDER OF THE BOARD
ADVANCED SYSTEMS AUTOMATION LIMITED

SEAH CHONG HOE
Director
2 November 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 (excluding the AOF Group), together with corresponding details on their respective Irrevocable Undertakings as well as their respective resultant shareholding interests in the Company based on the Ex-AOF Minimum Subscription Scenario and assuming full conversion of their respective Warrants:

No.	Name of Undertaking Shareholders (excluding the AOF Group)	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 Ex-AOF Minimum Subscription Scenario and full exercise of the entitled Warrants / Percentage[7] (%)
(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 (15.84%)
(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 (15.84%)
(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 (15.84%)
(d)	Seah Chong Hoe ("**SCH**")	17,948,723 (2.74%)	26,923,084	26,923,084	98,800,000[5]	628,615.42	-[5]	83,815,389	227,487,196 (16.73%)
(e)	Insights Law LLC ("**ILAW**")	6,153,846 (0.94%)	9,230,769	9,230,769	-	46,153.85	-[6]	6,153,846	21,538,461 (1.58%)
(f)	ZICO Capital Pte. Ltd. ("**ZICAP**")	7,692,308 (1.18%)	11,538,462	11,538,462	-	57,692.31	-[6]	7,692,308	26,923,078 (1.98%)
Total		216,410,262 (33.09%)	324,615,392	324,615,392	98,800,000	2,117,076.96	-	282,276,927	922,102,581 (67.81%)

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, with an aggregate of S$4.62 million.

(5) 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.

(6) 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.

(7) Based on the Company's enlarged issued and paid-up share capital of 1,359,733,828 Shares under the Ex-AOF 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 (excluding the AOF Group).