



ADVANCED SYSTEMS AUTOMATION LIMITED

(Incorporated in the Republic of Singapore)

(Company Registration No. 198600740M)

NEW LOAN AGREEMENT AS AN INTERESTED PERSON TRANSACTION AND SETTLEMENT AGREEMENT

1. The board of directors (the “**Board**”) of Advanced Systems Automation Limited (“**Company**” and together with its subsidiaries, collectively the “**Group**”) refers to the Company’s circular dated 4 February 2021, announcements dated 19 February 2021 and 2 March 2021 that the Company had entered into loan agreements with Dato’ Michael Loh Soon Gnee (“**Dato Loh**”) dated 30 May 2019 and 29 July 2019 (“**Loan Agreements**”).
2. The Company wishes to announce that it has entered into a Settlement Agreement on 13 June 2022 (“**Settlement Agreement**”) in relation to the Loan Agreements.
3. The Company also wishes to announce that it has entered into a new loan agreement on 13 June 2022 of S\$996,850.01 with Dato Loh. The Company has converted the payroll and related cost outstanding to Dato Loh into an interest-bearing loan (“**Converted Loan**”).
 - a. The duration for which the Converted Loan is outstanding shall be divided into successive periods of one (1) month each (“**Interest Period**”) commencing from the first day of each calendar month until the end of that calendar month (except for the first interest period if not disbursed on the first day of a calendar month, shall be calculated from the day the Loan is made until the end of that calendar month) and successive periods shall commence on the first day of the next calendar month following the last day of the preceding interest period.
 - b. Interest shall accrue on the Converted Loan and any accrued and unpaid interest thereon from time to time during the Interest Period shall be 2.076% per annum (based on SIBOR (or such other rate that might replace the SIBOR) + IRAS’ Indicative Margin of 1.80%) (“**Interest Rate**”). The Interest Rate will be repriced every quarter.
 - c. All or part of any amounts outstanding under Converted Loan shall become immediately due and payable (whether or not demanded) and the Company shall forthwith make full repayment of all such amounts due and owing to Dato Loh upon the occurrence of the following events:
 - i. any winding-up event or bankruptcy event occurring in respect of the Borrower, including an order being made or petition presented for the winding up or bankruptcy of the Borrower which is not satisfactorily discharged within 30 days;
 - ii. a compromise or arrangement between the Borrower and its respective creditors being proposed, sanctioned and/or approved; or

- iii. the Borrower is unable to, or admits its inability to, pay its debts as they fall due or the value of the Borrower's assets is less than its liabilities (taking into account contingent and prospective liabilities).
 - d. The execution of the Converted Loan is not expected to have any material impact on the financial performance of the Company in the financial year ending 31 December 2022.
 - e. The total value of Interested Person Transactions with Dato Loh for FY2022 is below S\$100,000.
 - f. The Audit Committee is of the view that the transaction is on normal commercial terms and not prejudicial to the interests of the Company and minority shareholders.
4. Under the Settlement Agreement, the Company and Dato Loh have agreed that the outstanding sums owed under the Loan Agreements and the abovementioned Converted Loan shall now be paid in accordance with the following tranches:
- (a) A sum equivalent to \$400,000 to be payable on 30 April 2023;
 - (b) A sum equivalent to \$400,000 to be payable on 30 April 2024;
 - (c) A sum equivalent to \$400,000 to be payable on 30 April 2025;
 - (d) A sum equivalent to \$400,000 to be payable on 30 April 2026; and
 - (e) The balance sum outstanding under the Loan Agreements and Converted Loan inclusive of any interest that has accrued) shall be paid on 30 April 2027.
5. The Company expects to use its existing cash, and cash flow generated from its businesses to fulfil its obligations under the Settlement Agreement.
6. The execution of the Settlement Agreement is not expected to have any material impact on the financial performance of the Company in the financial year ending 31 December 2022.

By Order of the Board
ADVANCED SYSTEMS AUTOMATION LIMITED

Dato' Sri Mohd Sopiyan B Mohd Rashdi
Chairman
13 June 2022

*This announcement has been reviewed by the Company's sponsor, SAC Capital Private Limited ("**Sponsor**"). 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 Tay Sim Yee (Tel: (65) 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.