ADVANCED SYSTEMS AUTOMATION LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No. 198600740M)

RESULTS OF FY2025 INTERNAL CONTROLS REVIEW AND UPDATE ON REMEDIATION MEASURES

The Board of Directors (the **"Board"**) of Advanced Systems Automation Limited (the **"Company"**, and together with its subsidiaries, the **"Group"**) wishes to provide shareholders with an update on the completion of the Group's internal controls review for the financial year ended 31 December 2025 (**"FY2025"**) and the measures being undertaken to address the findings arising from the review.

1. APPOINTMENT AND SCOPE OF INTERNAL CONTROLS REVIEW

The Company appointed Acclime Risk Advisory Pte. Ltd. (formerly known as Crowe Singapore) (**"Acclime"**) on 6 March 2026 to undertake an independent internal controls review principally covering FY2025.

The fieldwork was conducted from 16 March 2026 to 27 March 2026 and Acclime issued its final Internal Controls Review Report on 5 August 2026 (the **"Internal Controls Review Report"**).

The current-year review covered the following areas: high-level governance and the control environment:

(a) revenue and receivables management;
(b) procurement and payables management;
(c) treasury management;
(d) information technology general controls (**"ITGCs"**);
(e) interested person transactions;
(f) sustainability reporting; and
(g) a follow-up review of prior-year findings relating to Pioneer Venture Pte. Ltd. (**"Pioneer Venture"**).

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 Acclime.

2. FINDINGS FROM THE INTERNAL CONTROLS REVIEW REPORT

(A) SUMMARY OF CURRENT-YEAR FINDINGS

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 identified:

Risk Rating	Number of Findings
High	9

Medium	12
Low	4
Total	**25**

There were no findings rated Critical.

The 25 findings comprised:

Area Reviewed	**High**	**Medium**	**Low**	**Total**
High-level governance and control environment	2	1	–	3
Procurement and payables management	–	4	4	8
Treasury management	1	3	–	4
Information technology general controls	4	2	–	6
Interested person transactions	2	–	–	2
Sustainability reporting	–	2	–	2
Total	**9**	**12**	**4**	**25**

The principal matters identified included:

i. the availability, formalisation and implementation of documented policies, procedures and an employee handbook;
ii. the identification, monitoring, documentation, approval and retention of supporting records for related party transactions (**"RPTs"**) and interested person transactions (**"IPTs"**);
iii. the formalisation of annual budgeting, approval and budget-to-actual monitoring;
iv. weaknesses in certain procurement, quotation evaluation, vendor onboarding, accounts payable, professional-services procurement, expense-claim and payment-verification processes;
v. weaknesses in banking and treasury controls, including bank-token custody, bank reconciliations, authorised signatory arrangements and supporting documentation for fund transfers;
vi. deficiencies in IT governance, endpoint-device management, email administration, AutoCount Accounting System access management, data backup, governance of the external IT service provider and physical and environmental security over the server environment; and
vii. deficiencies in sustainability-reporting governance and supporting documentation.

The Board wishes to emphasise that the above is a summary of the material categories of findings and is not intended to reproduce the Internal Controls Review Report in its entirety.

(B) SUMMARY OF THE FOLLOW UP REVIEW ON PRIOR YEAR'S RECOMMENDATIONS

In addition to the review of the internal controls of the Group for FY2025, Acclime also conducted a follow-up internal controls review of Pioneer Venture and identified that 40% of the recommendations from the Internal Controls Review Report dated November 2024 have been implemented. The recommendations that have not been, or are only partially, implemented include:

i. Procurement and payment (comparative quote evaluations not performed; monthly bank reconciliations not documented and reviewed);
ii. General administration (lack of documentation and procedures)

The Board has surmised that the above recommendations from the prior year's internal controls review were not implemented, or only partially implemented, due to a lack of disciplined follow-through by the respective management.

3. SCOPE LIMITATIONS

Acclime encountered limitations in obtaining sufficient and appropriate evidence in relation to certain ITGC and IPT areas.

In relation to ITGCs, certain information and supporting documentation requested from Management and the external IT service provider were not made available within the internal-audit timeframe. Acclime was therefore unable to complete procedures in relation to certain areas including:

(a) access and identity management;
(b) data protection and backup;
(c) change management;
(d) incident and risk management; and
(e) third-party and vendor risk management.

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. The identified IPTs involve transactions with certain common shareholders and directors of the Company and LSO entities, which were approved by the management team at that time, including the former management team that have since departed the Company:

- 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 Company is undertaking a reconstruction, documentary verification and regulatory assessment of the relevant historical transactions as further described above.

4. BOARD AND AUDIT AND RISK COMMITTEE ASSESSMENT

The Board and the Audit and Risk Committee (**"ARC"**) regard the findings and scope limitations identified by Acclime as significant and requiring continuing Management attention.

Having regard to, among other things:

(a) the number and significance of the internal-control deficiencies identified;
(b) the scope limitations affecting certain ITGC and IPT procedures;
(c) the status of the prior-year internal-audit recommendations;
(d) the deficiencies affecting financial and management reporting and the availability of certain historical records;
(e) the status of the remedial measures, a number of which remain in progress; and
(f) the fact that the operating effectiveness of certain remedial controls has not yet been independently validated,

The Board and ARC are not in a position to state, without qualification, that the Group's risk-management and internal-control systems, including its financial, operational, compliance and information-technology controls, were adequate and effective throughout FY2025.

The Board further emphasises that the implementation of a remedial measure does not, by itself, establish that the relevant control deficiency has been fully remediated. Material findings will require appropriate evidence of implementation and, where appropriate, independent testing of the design and operating effectiveness of the relevant control before being treated as closed. However, the Board and management affirms that proper records of the Company are kept in accordance to the Companies Act 1967 and the applicable rules and regulations.

Notwithstanding the above, 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 and unaudited financial statements, transactional activities (such as warrants conversion and charges in shareholdings interests, etc.), and operational developments.

- Effect of the delay on comprehensiveness of disclosure: The Board has specifically considered whether the delay in releasing its audited FY2025 and interim 1Q2026/HY2026 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.

5. REMEDIAL MEASURES

Following the internal-audit review and the wider review of the Group's governance and financial-reporting arrangements, the Board and Management have commenced a structured remediation programme.

The principal measures implemented or being implemented include the following:

(a) Group Governance Manual and Delegation of Authority

With effect from 15 April 2026, the Board approved a Group Governance Manual comprising, among other things:

i. a Delegation of Authority Policy;
ii. a Financial Approval Matrix;
iii. procurement-governance requirements;
iv. SGX Catalist compliance controls; and
v. the ARC Charter.

The Group Governance Manual formalises approval thresholds, delegated responsibilities, matters reserved for Board approval and documentation and escalation requirements across the Group.

Historical policies, procedures and employee-related documents which were subsequently recovered from the Company's electronic records are being reviewed and updated for consistency with the Group's present organisational structure, the Group Governance Manual and applicable regulatory requirements.

Priority is being given to policies governing financial reporting, procurement and payment, treasury, RPTs and IPTs, conflicts of interest, whistleblowing, information technology and record retention.

The target for completion of this policy-review exercise is 31 October 2026.

(b) Strengthening of Finance Function and Financial Reporting

The Company appointed a Group Finance Manager ("**GFM**") with effect from 1 July 2026.

The responsibilities of the GFM include, among other things:

i. preparation of monthly management accounts and Group consolidation information;
ii. coordination of annual financial statements and the external audit;
iii. monthly bank reconciliations and treasury reporting;
iv. annual budgeting and variance analysis;
v. support for statutory and SGX financial reporting; and
vi. coordination of remediation of material financial internal-control findings.

Measures implemented or being implement ted include defined monthly reporting and bank-reconciliation timetables, entity-by-entity intercompany reconciliations, strengthened consolidation schedules and supporting documentation, centralised audit tracking, document-retention requirements and formal escalation of outstanding audit and reconciliation matters.

The GFM is also to prepare an updated Group budget and cash-flow forecast covering the remainder of FY2026 and FY2027 for review by Management and submission to the Board. Thereafter, Management accounts are intended to include regular budget-to-actual comparisons and explanations of material variances.

The Board, together with the Remuneration Committee ("**RC**"), have assessed whether the nature and extent of the authority and responsibilities assigned to the GFM would result in the result in the GFM being regarded as Key Management Personnel for purposes of the Singapore Code of Corporate Governance 2018. In making their assessment, the Board and RC have determined that the GFM should not presently be regarded as Key Management Personnel. While the GFM's responsibilities are important, the RC and Board determined that, at the present stage of appointment, the GFM does not have the level of authority and responsibility for planning, directing and controlling the activities of the Company or Group which would result in the GFM being classified as Key Management Personnel.

(c) RPT and IPT Governance

Management has compiled a Related Party and Related Party Transaction Register for FY2025. Directors and relevant key management personnel will be required periodically to update declarations of their related-party interests. The Finance Department will maintain the RPT register and the relevant agreements, invoices, approvals and supporting records. The register will be reviewed quarterly and material matters escalated to the ARC and Board.

An Interested Person and Interested Person Transaction Register has also been established.
Potential IPTs are to be referred to the Group General Counsel and Finance Department before commitment or execution. The Finance Department will maintain supporting records, aggregate IPT values and monitor the applicable Chapter 9 thresholds. The register and aggregate values are to be reviewed quarterly by the ARC.

Details of the interested person transactions identified for FY2025 are set out below:

Name of interested person	Nature of relationship	Aggregate value of IPTs during FY2025	Transactions under Rule 920 mandate
Lim Shrimp Organization Limited	50%-owned subsidiary of the Group and an associate of Mr. Lim Chen Chong, a Director and substantial Shareholder, and Ms. Lim Yu Victoria, a substantial Shareholder	S$364,000	Nil
Mr. Lim Chen Chong	Director of the Company and a director and shareholder of Lim Shrimp Organization Limited	S$220,000	Nil
Mr. Lim Wee Beng, Eddie	Senior Advisor of the Company and Lim Shrimp Organization Limited	S$510,000	Nil

The above transactions had been reviewed by Acclime and the Company's external auditors.

Going forward, the Company intends that no RPT or IPT will be entered into unless, where applicable:

i. the nature of the relationship has been identified;
ii. the transaction has been assessed under the applicable accounting and SGX requirements;
iii. the commercial terms and arm's-length basis have been documented;
iv. the required Management, Board, ARC or Shareholder approval has been obtained; and
v. complete supporting records are retained.

Management has also commenced compiling available agreements, Board and Shareholder approvals, SGXNET announcements, circulars, arm's-length assessments and accounting records concerning historical transactions identified through the review.

Historical transactions for which supporting records remain incomplete will be separately identified and reported to the ARC.

The Company intends for the reconstructed transaction population and regulatory analysis to be independently reviewed before the Company treats that exercise as complete. Thereafter, the Company will determine, in consultation with its continuing Sponsor and, where appropriate, SGX

RegCo, whether any transaction requires announcement, Shareholder approval, ratification or other remedial action.

(d) Treasury and Banking Controls

Management has strengthened its banking and treasury processes.

Measures include:

i. requiring physical or digital banking credentials to be held only by the authorised user to whom they are issued;
ii. maintaining a bank-token and access register;
iii. requiring authorised users to acknowledge responsibility for safeguarding their banking credentials;
iv. periodic review of token assignments and banking access;
v. strengthening documentation requirements for fund-transfer instructions and payment vouchers;
vi. implementing monthly bank-reconciliation requirements with independent review; and
vii. revising bank-authority and payment-approval arrangements to strengthen segregation of duties.

The bank-token custody arrangement specifically identified in Acclime's review has been discontinued. Management recorded the relevant bank-token and fund-transfer control measures as implemented with effect from 31 July 2026.

(e) Procurement, Payables and Expense Controls

Management is implementing revised procurement and vendor-management procedures covering:

i. vendor creation and verification before payment;
ii. timely recording of accounts payable;
iii. verification of invoices against contracts, engagement letters or approved fee arrangements
iv. documented procurement approvals in accordance with the Group Governance Manual;
v. competitive quotation requirements and documentation of exceptions;
vi. vendor-evaluation and vendor-master review requirements;
vii. retention of Statements of Account and accounts-payable reconciliation records;
viii. prescribed expense-claim forms;
ix. documentation of the business purpose of expenditure; and
x. approval and supporting-document requirements before reimbursement.

Implementation of a number of these measures is scheduled through August and September 2026.

(f) Information Technology and Cybersecurity

The Board and Management regard the ITGC findings as a priority remediation area.

The remediation programme includes strengthening:

i. IT asset and endpoint-device registers and administration;
ii. access and identity management;
iii. email-account administration and account deactivation;
iv. multi-factor authentication and password controls;
v. AutoCount user-access management and periodic access reviews;
vi. backup, restoration and recovery procedures;
vii. third-party IT vendor governance;
viii. incident-management processes; and
ix. physical and environmental security over the Company's server environment.

The COO is overseeing the implementation of the IT remediation programme together with the relevant personnel and external advisers where required.

The Company intends to obtain suitable independent professional assistance to assess the IT environment, establish an appropriate remediation roadmap and support the implementation and subsequent validation of the relevant controls by 30 September 2026.

The Company will also assess whether qualifying consultancy or implementation expenditure may be eligible for available Singapore Government support schemes before committing material expenditure.

(g) Sustainability Reporting

Management intends to establish a dedicated Sustainability Task Force for the financial year ending 31 December 2026 (“**FY2026**”) by 30 September 2026, comprising an Executive Director and relevant key management personnel from the Group’s subsidiaries.

The Sustainability Task Force is intended to strengthen:

i. sustainability-reporting policies and procedures;
ii. the ESG governance structure;
iii. the materiality-assessment process;
iv. sustainability targets;
v. ESG risk management;
vi. ESG data collection, validation and documentation; and
vii. supporting records for sustainability disclosures.

Relevant personnel are also intended to attend appropriate ESG and sustainability-reporting training.

The current target date for implementation is 30 September 2026.

(g) Full implementation of the prior year’s recommendations

The outstanding matters from the follow-up review of prior year’s findings relate principally to comparative quotation evaluation, documentation and review of monthly bank reconciliations and documented policies and procedures.

These outstanding matters have been incorporated into the Group’s remediation programme and will continue to be monitored.

7. **REMEDIATION GOVERNANCE AND INDEPENDENT FOLLOW-UP**

The Board has designated the COO and the Group General Counsel to oversee the overall implementation of the remediation initiative.

At subsidiary level, the relevant General Manager and Finance Head will be responsible for local implementation and the provision of supporting evidence, with progress to be reported to the persons overseeing the remediation programme.

The ARC will monitor implementation.

A formal internal review of the remediation programme by the management and the Board is targeted for 30 September 2026.

Material findings will not be treated as closed merely because Management has accepted Acclime’s recommendation or because a stated target date has been reached. Closure will require appropriate documentary evidence that the relevant remedial measure has been implemented and, where appropriate, that the control has operated for a sufficient period to permit meaningful testing.

Material remediation measures will thereafter be subjected, where appropriate, to independent follow-up review by Acclime or another suitably qualified independent reviewer.

The timing of such independent follow-up testing will be determined having regard to the actual implementation status of the relevant measures so that the review is conducted only after sufficient evidence is available for meaningful testing.

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.

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.

8. BOARD'S PRESENT ASSESSMENT ON CONTINUED TRADING

The Board has considered whether, having regard to the material internal-control deficiencies identified by Acclime and the other matters affecting the Group's financial reporting and governance environment, there is presently a basis for the Company to request a suspension of trading in its Shares.

Notwithstanding the matters described above, the Board is presently of the view that continued trading in the Company's Shares remains appropriate.

In reaching its present view, the Board has considered, among other matters:

(a) the continuing operations of the Group;
(b) the current Board and Management oversight arrangements;
(c) the internal-control remediation programme being implemented;
(d) the Group's ongoing corporate restructuring and funding initiatives;
(e) the Board's and Management's assessment of the Group's and Company's ability to continue as going concerns; and
(f) the ability of the Company to keep Shareholders and the market informed of material developments through SGXNET.

The Board has also taken into account the delays in the Company's financial reporting, issuance of its FY2025 Annual Report and holding of its FY2025 annual general meeting and regards such delays as serious governance and regulatory matters.

The Board's present assessment that continued trading remains appropriate should not be understood as indicating that the internal-control deficiencies have been resolved, that any historical financial-record deficiencies have been cured or that the remediation programme has been completed.

The Board will continue to review the appropriateness of continued trading in consultation with the Company's continuing Sponsor, having regard to the Group's financial and operating position, liquidity, the progress of the remediation programme and any material development which may affect the basis of the Board's assessment.

9. CONTINUING UPDATE TO SHAREHOLDERS

The Board and Management recognise the significance of the matters identified in the Internal Controls Review Report.

The Company has commenced implementation of the remediation programme, but not all findings have been fully remediated and the operating effectiveness of the relevant remedial controls has not in all cases been independently validated.

The Company will continue to:

(a) implement and monitor the remedial measures;
(b) obtain and retain evidence of implementation;
(c) subject material controls to independent follow-up testing where appropriate;
(d) consult its continuing Sponsor and SGX RegCo where required;
(e) address any further regulatory, approval or disclosure consequences arising from the ongoing RPT/IPT review; and
(f) update Shareholders on material developments in accordance with the Catalist Rules.

The Board will reassess the adequacy and effectiveness of the Group's risk-management and internal-control systems after the material remediation measures have been implemented and sufficient evidence is available for appropriate review and testing.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company and should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers if they are in any doubt as to the action that they should take.

10. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy and completeness of the information contained in this announcement and confirm, having made reasonable enquiries, that to the best of their knowledge and belief, the information contained in this announcement is accurate and not misleading in any material respect, and that no material fact relating to the matters disclosed in this announcement has been omitted which would render any statement herein misleading.

BY ORDER OF THE BOARD
ADVANCED SYSTEMS AUTOMATION LIMITED

CHNG HEE KOK
Independent and Non-Executive Chairman
2 September 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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