

CIRCULAR DATED 4 DECEMBER 2020

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. PLEASE READ IT CAREFULLY.

This Circular is issued by Advanced Systems Automation Limited (the “Company”). If you are in any doubt in relation to this Circular or as to the course of action you should take, you should consult your stockbroker, bank manager, accountant, solicitor, tax adviser or any other professional adviser immediately.

If you have sold or transferred all your shares in the capital of the Company, you should immediately forward this Circular, the Notice of Extraordinary General Meeting and the accompanying Proxy Form to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee.

This Circular has been prepared by the Company and its contents have been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “**Sponsor**”).

This Circular has not been examined or approved by the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”) and SGX-ST assumes no responsibility for the contents of this announcement, including the accuracy, completeness or correctness of any of the information, statements or opinions made, or reports contained in this Circular.

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.



(Incorporated in the Republic of Singapore)
(Company Registration No. 198600740M)

**CIRCULAR TO SHAREHOLDERS
IN RELATION TO**

- (1) THE PROPOSED DISPOSAL OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF MICROFITS PTE. LTD. (“MICROFITS”), (THE “PROPOSED MICROFITS DISPOSAL”).**
- (2) THE PROPOSED RATIFICATION OF THE DISPOSAL OF THE ENTIRE INTEREST IN ASA MULTIPLATE (M) SDN. BHD. (“MULTIPLATE”), (THE “PROPOSED RATIFICATION OF THE MULTIPLATE DISPOSAL”).**

**Legal Advisor in relation to the Proposed Resolutions
SHOOK LIN & BOK LLP**

(Registered in Singapore under the Limited Liability Partnerships Act (Chapter 163A) with limited liability)
(Unique Entity No. T07LL0924K)

IMPORTANT DATES AND TIMES

Last date and time for lodgement of Proxy Form	:	16 December 2020 at 3 p.m.
Date and time of Extraordinary General Meeting	:	21 December 2020 at 3 p.m.
Place of Extraordinary General Meeting	:	The Extraordinary General Meeting will be held by way of electronic means

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DEFINITIONS

In this Circular, the following definitions shall apply throughout unless the context otherwise requires:

“Board” or “Board of Directors”	:	The Board of Directors of the Company as at the date of this Circular
“Catalist Rules”	:	The Listing Manual Section B: Rules of Catalist of the SGX-ST, as amended, modified or supplemented from time to time
“CDP”	:	The Central Depository (Pte) Limited
“Circular”	:	This circular to Shareholders dated 4 December 2020 in relation to the Proposed Microfits Disposal and Proposed Ratification of Multiplate Disposal
“Company”	:	Advanced Systems Automation Limited
“Companies Act”	:	The Companies Act (Chapter 50) of Singapore as amended, supplemented or modified from time to time.
“Controlling Shareholder”	:	A person who: (a) holds directly or indirectly 15% or more of the nominal amount of voting shares in the Company. The SGX-ST may determine that a person who satisfies the above is not a Controlling Shareholder; or (b) in fact exercises control over the Company
“Chairman”	:	The appointed chairman of the Company as at the date of this Circular
“Deferred Microfits Completion”	:	Deferred completion of the Proposed Microfits Disposal subject to the provisions in the Microfits SPA and as set out Section 2.2(e) of this Circular
“Deferred Microfits Completion Date”	:	The deferred date on which Deferred Microfits Completion occurs, further details of which are set in Section 2.2(e) of this Circular
“Deferred Multiplate Completion”	:	Deferred completion of the Multiplate Disposal subject to the provisions in the Multiplate SPA and as set out in Section 3.2(e) of this Circular
“Deferred Multiplate Completion Date”	:	The deferred date on which Deferred Multiplate Completion occurs, further details of which are set in Section 3.2(e) of this Circular
“Directors”	:	The Directors of the Company as at the date of this Circular
“Disposals”	:	The Proposed Microfits Disposal and the Proposed Ratification of the Multiplate Disposal

DEFINITIONS

“EGM”	:	The extraordinary general meeting of the Company to be held on 21 December at 3.00 p.m. , the notice of which is set out on pages 30 and 31 of this Circular
“FY” or “Financial Year”	:	Financial year ended 31 December
“Group”	:	The Company and its subsidiaries collectively
“H1FY2020”	:	Shall have the meaning ascribed to it in Section 2.1 of this Circular
“Independent Valuer”	:	Savills Valuation and Professional Services (S) Pte Ltd
“Intercompany Loans”	:	Shall have the meaning ascribed to it in Section 3.1 of this Circular
“Latest Practicable Date”	:	2 December 2020, being the latest practicable date prior to the printing of this Circular
“LPS”	:	Loss per share
“Mapletree Lease Blk 21”	:	Means the lease entered into between Microfits and DBS Trustee Limited as trustee of Mapletree Industrial Trust in relation to Block 21 Kallang Avenue #01-169 Kallang Basin Industrial Estate, Singapore 339412
“Mapletree Lease Blk 25”	:	Means the lease entered into between Microfits and DBS Trustee Limited as trustee of Mapletree Industrial Trust in relation to Block 25 Kallang Avenue #06-01 and #06-02 Kallang Basin Industrial Estate, Singapore 339416
“Microfits”	:	Microfits Pte. Ltd.
“Microfits Completion”	:	Completion of the Proposed Microfits Disposal in accordance with the Microfits SPA and as set out in Section 2.2(c) of this Circular
“Microfits Completion Date”	:	The date on which Microfits Completion occurs, further details of which are set in Section 2.2(e) of this Circular
“Microfits Conditions Precedent”	:	Shall have the meaning ascribed to it in Section 2.2(c) of this Circular
“Microfits Long Stop Date”	:	Shall have the meaning ascribed to it in Section 2.2(c) of this Circular
“Microfits Purchaser”	:	Refers to the purchaser, M and R Manufacturing Sdn Bhd, of Microfits
“Microfits Sale Price”	:	The consideration for the Microfits Sale Shares payable by Microfits Purchaser to the Company in accordance with the provisions of the Microfits SPA, further details of which are set out in Section 2.2(a) of this Circular

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“Microfits Sale Shares”	: The 2,000,000 ordinary shares representing 100% of the total issued and paid-up share capital of Microfits to be sold to Microfits Purchaser by the Company in accordance with the provisions of the Microfits SPA
“Microfits SPA”	: The sale and purchase agreement dated 31 October 2020 entered into between the Company and Microfits Purchaser in connection with the Proposed Microfits Disposal
“Microfits Waiver”	: Shall have the meaning ascribed to it in Section 2.2(c) of this Circular
“Multiplate”	: ASA Multiplate (M) Sdn Bhd.
“Multiplate Completion”	: Completion of the Multiplate Disposal in accordance with the Multiplate SPA and as set out in Section 3.2(c) of this Circular
“Multiplate Completion Date”	: The date on which Multiplate Completion occurs, further details of which are set in Section 3.2(e) of this Circular
“Multiplate Conditions Precedent”	: Shall have the meaning ascribed to it in Section 3.2(c)
“Multiplate Disposal”	: The disposal of the Company’s entire interest in Multiplate
“Multiplate First Tranche Amount”	: The first tranche of Multiplate Sale Price payable by Multiplate Purchaser to the Company in accordance with the provisions of SPA, further details of which are set out in Section 3.2(a) of this Circular
“Multiplate Purchaser”	: Refers to the purchaser, M and R Integrated Solution Sdn, Bhd of Multiplate
“Multiplate Sale Price”	: The consideration for the Multiplate Sale Shares payable by Multiplate Purchaser to the Company in accordance with the provisions of the Multiplate SPA, further details of which are set out in Section 3.2(a) of this Circular
“Multiplate Sale Shares”	: The 1,350,000 ordinary shares representing 90% of the total issued and paid-up share capital of Multiplate to be sold to Multiplate Purchaser by the Company in accordance with the provisions of the Multiplate SPA
“Multiplate SPA”	: The sale and purchase agreement dated 11 August 2020 entered into between the Company and Multiplate Purchaser in connection with the Proposed Ratification of Multiplate Disposal
“Multiplate Waiver”	: Shall have the meaning ascribed to it in Section 3.2(c) of this Circular
“NTA”	: Net tangible assets
“Notice of EGM”	: The notice of EGM as set out on pages 30 and 31 of this Circular

DEFINITIONS

“Outstanding Debt”	:	Shall have the meaning ascribed to it in Section 6.3.1(b) of this Circular
“Proposed Microfits Disposal”	:	The proposed disposal of the entire issued and paid-up share capital of Microfits
“Proposed Ratification of the Multiplate Disposal”	:	The proposed ratification of the Multiplate Disposal
“Purchase Order Commitment”	:	The minimum purchase amount that Microfits has committed to purchase from their supplier for the materials and/ or equipment ordered as per the terms and conditions of purchase order dated 31 October 2020.
“RM”	:	Malaysian ringgit, being the lawful currency of Malaysia
“Rule 1014(2) Waiver”	:	Shall have the meaning ascribed to it in Section 6.2 of this Circular
“Rule 1014(5) Waiver”	:	Shall have the meaning ascribed to it in Section 6.2 of this Circular
“SFA”	:	The Securities and Futures Act, Chapter 289 of Singapore, as amended, modified or supplemented from time to time
“SGX RegCo”	:	Singapore Exchange Regulation Pte. Ltd.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited
“SGX-ST Waivers”	:	The letter from the SGX-ST dated 2 October 2020 informing Multiplate that the SGX RegCo had no objection to the Company’s application for a waiver from strict compliance with Rule 1014(2) and 1014(5) of the Catalist Rules in relation to the Multiplate Disposal
“Shares”	:	Ordinary shares in the capital of the Company
“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” in relation to Shares held by CDP shall mean the persons named as Depositors in the Depository Register maintained by CDP and to whose securities accounts such Shares are credited
“Sponsor”	:	SAC Capital Private Limited
“Substantial Shareholder”	:	A person who has an interest in one or more voting shares in the Company and the total votes attached to such share(s) is not less than 5% of the total votes attached to all the voting shares of the Company
“Undertaking”	:	Shall have the meaning ascribed to it in Section 6.2(c) of this Circular
“Valuation Report”	:	The valuation report issued by the Independent Valuer dated 10 November 2020
“S\$” and “cents”	:	Singapore dollars and cents, respectively, being the lawful currency of Singapore

DEFINITIONS

“%” or “per cent.” : Percentage or per centum

Depositors. The terms “**Depositor**”, “**Depository Agent**” and “**Depository Register**” shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

Words. Words importing the singular only shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Subsidiaries. The term “**subsidiaries**” shall have the meanings ascribed to it Section 5 of the Companies Act.

References. Words importing the singular shall, where applicable, include the plural and *vice versa* and words importing the masculine gender shall, where applicable, include the feminine and neuter genders and *vice versa*. References to persons shall, where applicable, include corporations.

Time and date. Any reference to a time of day and date in this Circular is made by reference to Singapore time and date, unless otherwise stated.

Statutes. Any reference in this Circular to any statute or enactment is a reference to that statute or enactment for the time being amended or re-enacted. Any word defined under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act, the SFA, the Catalist Rules or any statutory modification thereof, as the case may be.

Headings. The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Rounding. Any discrepancies in figures included in this Circular between the amounts listed and their actual values are due to rounding. Accordingly, figures may have been adjusted to ensure that totals or sub-totals shown, as the case may be, reflect an arithmetic aggregation of the figures that precede them.

Discrepancies. Any discrepancies in figures included in this Circular between the amounts shown and the totals thereof are due to rounding. Accordingly, figures shown as totals in this Circular may not be an arithmetic aggregation of the figures that precede them.

LETTER TO SHAREHOLDERS



(Incorporated in the Republic of Singapore)
(Company Registration No. 198600740M)

TO SHAREHOLDERS

Board of Directors:

Dato' Sri Mohd. Sopiyan bin Mohd. Rashdi
(*Non-Executive Chairman and Independent Director*)

Mr. Seah Chong Hoe
(*Executive Director and Chief Executive Officer*)

Dr. Kenneth Yu Keung Yum
(*Independent Director*)

Mr. Steven Shen Hing
(*Independent Director*)

Registered Office:

25 Kallang Avenue #06-01
Kallang Basin Industrial Estate,
Singapore 339416

4 December 2020

To: The Shareholders of Advanced Systems Automation Limited

Dear Sir/Madam

- (1) **THE PROPOSED MICROFITS DISPOSAL**
- (2) **THE PROPOSED RATIFICATION OF THE MULTIPLATE DISPOSAL**

1. INTRODUCTION

1.1. The Proposed Microfits Disposal

The Company had on 2 November 2020 announced that the Company had entered into a sale and purchase agreement dated 31 October 2020 (the "**Microfits SPA**") with M and R Manufacturing Sdn Bhd ("**Microfits Purchaser**") in relation to the Company's proposed disposal of the entire issued and paid-up share capital of Microfits (the "**Microfits Sale Shares**"), a wholly-owned subsidiary of the Company at the sale consideration of S\$100,000 ("**Microfits Sale Price**"). The principal terms of the Microfits SPA are set out in Section 2 of this Circular.

1.2. The Proposed Ratification of the Multiplate Disposal

The Company had on 12 August 2020 announced that the Company had entered into a sale and purchase agreement dated 11 August 2020 (the "**Multiplate SPA**") with M and R Integrated Solution Sdn Bhd ("**Multiplate Purchaser**") in relation to the Company's disposal of its entire interest in Multiplate, representing 90% of the issued and paid-up share capital of Multiplate ("**Multiplate Sale Shares**") for an aggregate purchase consideration of S\$90,000 ("**Multiplate Sale Price**"). As at the Latest Practicable Date, the Company is currently in the midst of transferring the Multiplate Sale Shares to the Multiplate Purchaser. For completeness, the Multiplate Sale Shares will be transferred to the Multiplate Purchaser by the date of the EGM. The principal terms of the Multiplate SPA are set out in Section 3 of this Circular.

LETTER TO SHAREHOLDERS

1.3. Purpose of Circular

The purpose of this Circular is to provide Shareholders with information relating to, and to seek the approval of the Shareholders for the Proposed Microfits Disposal and Proposed Ratification of the Multiplate Disposal (collectively, the “Disposals”) at the forthcoming EGM, notice of which is set out on pages 30 and 31 of this Circular.

2. THE PROPOSED MICROFITS DISPOSAL

2.1. Information on Microfits and the Microfits Purchaser

Microfits was incorporated in Singapore on 9 July 1994 with a registered capital of S\$2,000,000, and is principally engaged in the business of manufacturing of automated molding machines and other back-ended assembly equipment for the semiconductor assembly process.

Based on the latest unaudited consolidated financial statements of the Group for the financial period ended 30 June 2020 (“H1FY2020”), (i) Microfits has a net tangible liabilities of approximately S\$9,248,000 as at 30 June 2020 and (ii) the net loss attributable to Microfits is approximately S\$530,000 for H1FY2020.

The Microfits Purchaser is a company incorporated in Malaysia on 22 August 1991 with a registered capital of RM6,290,000, and is in the principal business of, *inter alia*, designing and manufacturing high precision machine components, sub-module assembly and system integration and the carrying out of additional business activities in relation to the repair and maintenance of industrial machinery and equipment for wear and tear. The Microfits Purchaser is the parent company of the Multiplate Purchaser.

The shareholders of the Microfits Purchaser are not related to the Company, its Directors, Substantial Shareholders and their respective associates.

2.2. Salient Terms of the Microfits SPA

(a) Sale Consideration and terms of payment

The Microfits Sale Price shall be an aggregate purchase consideration of S\$100,000, which shall be satisfied in cash by the Microfits Purchaser upon execution of the Microfits SPA.

The Microfits Sale Price and the terms of the Microfits SPA was arrived at after arms' length negotiations between the Company and the Microfits Purchaser on a 'willing buyer-willing seller' basis. The Microfits Sale Price takes into consideration, among other factors, (a) the net tangible liability value of Microfits of \$9,248,000 (before the Microfits Waiver) as at 30 June 2020, (b) the net loss attributable to Microfits of \$530,000 for the period ended 30 June 2020, and (c) potential retrenchment cost of \$528,000, which will be borne by the Microfits Purchaser.

In relation to the terms of the Microfits SPA, the Microfits Purchaser has agreed to undertake that from the date of the Microfits SPA, Microfits Purchaser shall provide any and all necessary financial support and funding to Microfits for Microfits's payment of Microfits's existing indebtedness, borrowings and other such liabilities owed to the trade creditors of Microfits, and the payment of the salaries and wages of the Microfits's employees, as and when such financial support is required, pursuant to the terms of the Microfits SPA.

LETTER TO SHAREHOLDERS

As the cost of maintaining Microfits is high, it is therefore in the best interests of the Company to dispose Microfits as soon as possible. The management of the Company has considered the option of ceasing Microfits' operations, however the Board is of the view that the sale of Microfits is the best available option as ceasing the operations will incur a total estimated costs of S\$1.8 million (which includes retrenchment cost of approximately S\$528,000, payment of net liabilities of approximately S\$300,000, reinstatement cost of approximately S\$60,000, warranty cost of approximately S\$200,000 and Purchase Order Commitment of S\$667,000. In addition, Microfits has been loss-making for several years and the Company does not foresee any sale of major equipment in this year.

(b) Valuation relating to the Proposed Microfits Disposal

Pursuant to Rule 1014(5) of the Catalist Rule, where a disposal of assets is one where any of the relative figures as computed on the bases set out in Rule 1006 exceeds 75%, the issuer must appoint a competent and independent valuer to value the assets to be disposed. As the relative figures in respect of the Disposals computed on the bases set out in Rule 1006 of the Catalist Rules exceed 75%, accordingly, the Company has appointed an Independent Valuer to perform a valuation on Microfits. Please refer to Section 6.1 of this Circular for further details.

Based on the Valuation Report dated 10 November 2020, the market value of 100% equity interest in Microfits as at 31 July 2020 is S\$63,000. The Valuation Report is set out in Appendix to this Circular.

In arriving at the valuation of Microfits, the Independent Valuer has adopted the summation method under the cost approach as the primary method for the valuation analysis of 100% equity interest in Microfits. The key steps in the summation method are valuing each of the component assets and liabilities of Microfits using the appropriate valuation approach and methods; adding the value of component assets and liabilities together; and assessing the discount for lack of marketability to be applied to the value of the component assets and liabilities together, to arrive at the market value of 100% equity interest in Microfits.

(c) Conditions Precedent

The completion of the Proposed Microfits Disposal ("**Microfits Completion**") is subject to:

- (i) the Company obtaining all relevant approvals and consents, including approvals from governmental bodies (including but not limited to SGX-ST), creditors and third parties necessary for consummation of the transactions contemplated at the Microfits Completion and that the same shall not have been withdrawn or amended;
- (ii) the results of legal, financial and technical due diligence investigations on Microfits conducted by the Microfits Purchaser and his advisors being satisfactory to the Microfits Purchaser, and all necessary rectification steps being completed on terms satisfactory to the Microfits Purchaser, in respect of issues identified in the course of due diligence;
- (iii) to the extent that any debts, receivables, payables or otherwise exists from Microfits to the Company and its subsidiaries prior to the Microfits Completion, any such balances of Microfits has been validly waived in full ("**Microfits Waiver**") by the Company via the execution of a deed of waiver or such other document as the Microfits Purchaser may reasonably require, or any such acts as may be reasonably required to procure the Microfits Waiver have been undertaken by the Company. As at the date of the Microfits SPA, the total amount of debt owing by Microfits to Company to be waived was approximately S\$9,371,000; and

LETTER TO SHAREHOLDERS

- (iv) delivery by the Company to the Microfits Purchaser of the following documents:
- (1) a list setting out all the intellectual property registered under the name of Microfits that is still valid and subsisting as at the date of the Microfits SPA; and
 - (2) a list setting out all the recent automolding machines sold by Microfits, including details relevant to any warranties, contingent liabilities or otherwise owed to the Microfits' customers that are still valid and subsisting as at the date of the Microfits SPA.

(Collectively, "**Microfits Conditions Precedent**")

All Microfits Conditions Precedent shall be satisfied no later than 150 days from the date of the Microfits SPA or such later date as may be agreed among the parties in writing ("**Microfits Long Stop Date**"). If the Microfits Conditions Precedent have not been satisfied on or prior to such Microfits Long Stop Date, the parties may agree to terminate the Microfits SPA immediately and no party shall, subject to the terms of the Microfits SPA, have any further rights or obligations under the Microfits SPA against each other save for any antecedent breaches hereof.

As at the Latest Practicable Date, the Microfits Conditions Precedent (ii), (iii) and (iv) have been fulfilled.

(d) Representations and Warranties

Pursuant to the terms of the Microfits SPA, the parties have furnished to each other various representations and warranties customary for transactions of a similar nature such as the Proposed Microfits Disposal.

(e) Completion

Subject to the terms and conditions of the Microfits SPA, the Microfits Completion shall take place within 150 days from the date of the Microfits SPA unless the Company and the Purchaser mutually agree otherwise ("**Microfits Completion Date**").

The Microfits Completion of the Proposed Microfits Disposal is conditional upon, *inter alia*, the Microfits Purchaser delivering to the Company payment of the Microfits Sale Price to a bank account of the Company as stipulated by the Company and the Company fulfilling the obligations set out in the Microfits SPA.

Without prejudice to any other rights and remedies a party may have, if by the Microfits Completion Date: (i) the Company does not comply with their obligations pursuant to the terms of the Microfits SPA; or (ii) the Microfits Purchaser does not comply with its obligations pursuant to the terms of the Microfits SPA, then either the Microfits Purchaser (in the case of default by the Company) or the Company (in the case of default by the Microfits Purchaser) may (at their respective election) upon notice to, as the case may be, the Company or the Microfits Purchaser:

- (i) proceed to the Microfits Completion as far as practicable;
- (ii) subject to the provisions in the SPA, defer the Microfits Completion to such date and time as the Company or the Purchaser (as the case may be) may specify ("**Deferred Microfits Completion**" and the "**Deferred Microfits Completion Date**"); or

LETTER TO SHAREHOLDERS

- (iii) subject to the provisions in the Microfits SPA, terminate the Microfits SPA without any liability on their part if the Microfits Completion does not occur on the Microfits Completion Date or, in the event of a Deferred Microfits Completion, on the Deferred Microfits Completion Date.

(f) Other Conditions

The Microfits SPA also contains the following terms:

- (i) Before the Microfits Completion, the Company shall ensure the assignment of Mapletree Lease Blk 25 from Microfits to the Company or any of its subsidiaries;
- (ii) Within 30 days from the date of Microfits Completion, the Company and Microfits Purchaser shall procure the termination of the Mapletree Lease Blk 21 and to procure the removal of all equipment and the reinstatement of the Mapletree Lease Blk 21 to its original condition as required under the terms of the Mapletree Lease Blk 21; and
- (iii) Upon the termination of the Mapletree Lease Blk 21, the Microfits Purchaser shall pay to the Company within 7 days the sum of \$24,219.76 (being the equivalent of the aggregate of 3 months' rent and service charge and reinstatement deposit as provided in the terms of the Mapletree Lease Blk 21) to the bank account of the Company.

The completion of these conditions will not be affected by the Deferred Microfits Completion Date.

3. THE PROPOSED RATIFICATION OF THE MULTIPLATE DISPOSAL

3.1. Information on Multiplate and the Multiplate Purchaser

Multiplate was incorporated on 2 November 2009 with a registered capital of RM1,500,000, and is principally engaged in the thermal coating and surface finishing of electronics products and the provision of specialised electroplating service for semiconductor components.

Based on the latest audited consolidated financial statements of the Group for FY2019, (i) Multiplate has a net tangible liabilities of approximately RM27,094,000 (equivalent to approximately S\$8,902,000 based on an exchange rate of S\$1 = RM3.0437) as at 31 December 2019, (ii) the net loss attributable to ASAM of approximately RM2,796,000 (equivalent to approximately S\$919,000) for FY2019, and (iii) the intercompany loans owing from Multiplate to the Company amounts to S\$8,634,000 (based on an exchange rate of S\$1 = RM3.0437) as at the date of the Multiplate SPA ("**Intercompany Loans**").

The Multiplate Purchaser is a company incorporated in Malaysia with a registered capital of RM1,000,000. The Multiplate Purchaser is in the principal business of, *inter alia*, providing manufacturing service in precision machining and sub-assembly of machine components and modules. The industries served cover semiconductor, electronics and medical & life science. The shareholders of Multiplate Purchaser are not related to the Company, its Directors or the Controlling Shareholders and their respective associates.

LETTER TO SHAREHOLDERS

3.2. Salient Terms of the Multiplate SPA

(a) Sale Consideration and terms of payment

The Multiplate Sale Price shall be satisfied in two instalments in cash by the Multiplate Purchaser to the Company in the following manner:

- (i) Upon execution of the Multiplate SPA, the Multiplate Purchaser shall pay the Company an aggregate amount of S\$45,000; and
- (ii) On the date of completion, the Multiplate Purchaser shall pay the Company the remaining amount of S\$45,000.

The Multiplate Sale Price was arrived at after arms' length negotiations between the Company and the Multiplate Purchaser on a 'willing buyer-willing seller' basis taking into consideration, among other factors, (a) the net liability value of Multiplate of approximately RM1,610,000 (equivalent to approximately S\$529,000) (after the waiver of the Intercompany Loans (as further explained below) as at 31 December 2019, (b) the net loss attributable to Multiplate of approximately RM2,796,000 (equivalent to approximately S\$919,000) for FY2019, (c) potential retrenchment cost of RM659,000 (equivalent to approximately S\$217,000) and (d) reinstatement cost of RM250,000 (equivalent to approximately S\$82,000), where (c) and (d) above will be borne by the Multiplate Purchaser.

Pursuant to the Multiplate SPA, upon the signing of the Multiplate SPA, the Multiplate Purchaser shall take physical possession and control of the Multiplate business and in tandem with this possession and control, shall from 30 June 2020 be responsible to provide financial support and funding for Multiplate's operations (including without limitation, rental, utilities and employee salaries) and shall be responsible for any other indebtedness that may arise thereafter.

Also, in accordance with the Multiplate SPA and taking into consideration the above, the Intercompany Loans amounting to S\$8,634,000 (based on an exchange rate of S\$1 = RM3.0437) as at the date of the Multiplate SPA will be waived by the Company.

(b) Valuation relating to the Multiplate Disposal

In connection with the Multiplate Disposal, as the relative figures computed on the bases set out in Rule 1006 of the Catalist Rules involve negative figures and the Multiplate Disposal does not fall within all the applicable circumstances set out in Practice Note 10A of the Catalist Rules, the Company had, through its Sponsor, on 5 August 2020 submitted an application to SGX-ST to seek a waiver from compliance with:

- (i) Rule 1014(2) of the Catalist Rules on the requirement to seek Shareholders' approval for the Multiplate Disposal ("**Rule 1014(2) Waiver**"); and
- (ii) Rule 1014(5) of the Catalist Rules on the requirement to appoint a valuer to assess the value of Multiplate ("**Rule 1014(5) Waiver**")

(collectively, the "**SGX-ST Waivers**").

The SGX RegCo had granted approval to the SGX-ST Waivers subject to the certain conditions as set out in Section 6.2 of this Circular. Please refer to Section 6 of this Circular for more details of the SGX-ST Waivers.

LETTER TO SHAREHOLDERS

Notwithstanding the above, the Company had commissioned the Independent Valuer to perform a valuation on Multiplate in order to expedite the sale and completion process of the Multiplate Disposal. As the Company had engaged the Independent Valuer to assess the value of Microfits, the Company negotiated with the Independent Valuer and simultaneously also engaged them to conduct a valuation on Multiplate.

Based on the Valuation Report dated 10 November 2020, the market value of 100% equity interest in Multiplate as at 31 July 2020 is RM nil. The Valuation Report is set out in Appendix to this Circular.

In arriving at the valuation of Multiplate, the Independent Valuer has adopted the summation method under the cost approach as the primary method for the valuation analysis of 100% equity interest in Multiplate. The key steps in the summation method are valuing each of the component assets and liabilities of Multiplate using the appropriate valuation approach and methods; adding the value of component assets and liabilities together; and assessing the discount for lack of marketability to be applied to the value of the component assets and liabilities together, to arrive at the market value of 100% equity interest in Multiplate.

(c) **Conditions Precedent**

The completion of the Multiplate Disposal ("**Multiplate Completion**") is subject to and conditional upon the fulfilment of the following conditions:

- (i) the parties to the Multiplate SPA shall have obtained board resolutions authorising the sale and purchase of the Multiplate Sale Shares;
- (ii) the Company and Mr. Sunny Tan Kah Wei obtaining all relevant approvals and consents, including but not limited to, approval from the SGX-ST and Multiplate's shareholders (if so required) for consummation of the transactions contemplated in the Multiplate SPA and remaining valid at Multiplate Completion and that the same shall not have been withdrawn or amended; and
- (iii) to the extent that any debts, receivables, payables or otherwise exist from the Multiplate to the Company and Mr. Sunny Tan Kah Wei, associates and/or subsidiaries prior to the Multiplate Completion, any such debts, receivables, payables have been unconditionally, irrevocably and validly waived in full by the Company and Mr. Sunny Tan Kah Wei, associates and subsidiaries ("**Multiplate Waiver**") via the execution of a deed of waiver or such other document as the Multiplate Purchaser may reasonably require, or any such acts as may be reasonably required to procure the Multiplate Waiver have been undertaken by the Company and Mr. Sunny Tan Kah Wei. As at the date of Multiplate SPA, the amount of debt owing by Multiplate to Company had been waived was approximately S\$8,608,000.

(Collectively, "**Multiplate Conditions Precedent**")

If the Multiplate Conditions Precedent have not been satisfied as afore-described before the Multiplate Completion Date (as defined below), the Multiplate SPA shall be voided and the Company make a full repayment of the Multiplate First Tranche Amount to the Multiplate Purchaser and henceforth neither party shall have any further rights or obligations under the Multiplate SPA against each other save for any antecedent breaches hereof, pursuant to the Multiplate SPA.

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(d) Representations and Warranties

Pursuant to the terms of the Multiplate SPA, the parties have furnished to each other various representations and warranties customary for transactions of a similar nature such as the Multiplate Disposal.

(e) Completion

Subject to the terms and conditions of the Multiplate SPA, the Multiplate Completion shall take place on such date and time as the parties may mutually agree, but shall be no later than 31 December 2020 unless the parties agree in writing otherwise ("**Multiplate Completion Date**").

The Multiplate Completion of the Multiplate Disposal is conditional upon, *inter alia*, the Multiplate Purchaser fulfilling the obligations set out in the Multiplate SPA and the Company and Mr. Sunny Tan Kah Wei fulfilling the obligations set out in the Multiplate SPA.

Without prejudice to any other rights and remedies a party may have, if by the Multiplate Completion Date, the Company or Mr. Sunny Tan Kah Wei does not comply with their obligations pursuant to the terms of the Multiplate SPA; the Multiplate Purchaser may:

- (i) proceed to the Multiplate Completion as far as practicable;
- (ii) subject to the provisions in the Multiplate SPA, defer the Multiplate Completion to such date and time as the Multiplate Purchaser may specify ("**Deferred Multiplate Completion**" and the "**Deferred Multiplate Completion Date**"); or
- (iii) subject to the provisions in the Multiplate SPA, terminate the Multiplate SPA without any liability on their part if the Multiplate Completion does not occur on the Multiplate Completion Date or, in the event of a Deferred Multiplate Completion, on the Deferred Multiplate Completion Date.

Please note, at the Latest Practicable Date, the Company is currently in the midst of transferring the Multiplate Sale Shares to the Multiplate Purchaser. For completeness, the Multiplate Sale Shares will be transferred to the Multiplate Purchaser before the EGM.

4. RATIONALE FOR THE DISPOSALS

Microfits has been loss making since FY2013 and has recorded losses of S\$1.8 million, S\$0.2 million, S\$1.2 million, S\$2.6 million and S\$0.7 million for FY2015, FY2016, FY2017, FY2018 and FY2019 respectively despite the implementation of cost cutting measures. Microfits is also in a net tangible liabilities position of S\$9,248,000 as at 30 June 2020 and the Company expects to incur a net cash outflow of S\$100,000 to S\$200,000 on Microfits per month.

Multiplate has been loss-making since FY2015 and has recorded losses of RM26.1 million, RM0.4 million, RM2.4 million, RM2.0 million and RM2.8 million for FY2015, FY2016, FY2017, FY2018 and FY2019 respectively, despite the implementation of cost-cutting measures. Multiplate is also in a net tangible liabilities position of RM27,094,000 (equivalent to approximately S\$8,902,000 based on an exchange rate of S\$1 = RM3.0437) as at 31 December 2019 and the Company is expected to require a monthly cash injection of between RM150,000 to RM250,000 (equivalent to approximately S\$33,000 to S\$82,000 based on an exchange rate of S\$1 = RM3.0437) to continue operating as going concern.

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The Disposals will allow the Group to realise its value by preventing further losses and deterioration of Shareholders' equity, and to streamline its existing business to focus more on its businesses and investment in Singapore and Malaysia.

5. USE OF PROCEEDS AND GAIN ON THE DISPOSALS

The Group is expected to record an overall gain of S\$527,000 from the Disposals.

5.1. Use of Proceeds and Loss on the Proposed Microfits Disposal

Based on the latest unaudited consolidated financial statements of the Group for H1FY2020, the net asset value and net tangible assets of Microfits is S\$139,000. There is no open market value for the shares in Microfits as they are not publicly traded. As at the date hereof, the book value of the shares to be transferred to the Proposed Microfits Disposal is S\$139,000.

As the Microfits Sale Price represents a loss of approximately S\$39,000 of the net assets value of Microfits, the Proposed Microfits Disposal is expected to result in a loss on disposal to the Group.

The Company intends to utilise the proceeds from the Proposed Microfits Disposal for the general working capital requirements of the Group.

5.2. Use of Proceeds and Gain on the Proposed Ratification of the Multiplate Disposal

Based on the unaudited consolidated financial statement of the Group for H1FY2020, the net asset value and net tangible assets of Multiplate is -\$476,000. There is no open market value for the shares in Multiplate as they are not publicly traded. As at the date hereof, the negative net assets value of the shares to be transferred to the Proposed Ratification of the Multiplate Disposal is S\$476,000.

The Multiplate Sale Price represents an excess of approximately S\$566,000 over the negative net assets value of Multiplate of S\$476,000, the Proposed Ratification of the Multiplate Disposal is expected to result in a gain to the Group. The Group is expected to record a gain on disposal of S\$566,000 from the Proposed Ratification of the Multiplate Disposal.

The Company intends to utilise the proceeds from the Multiplate Disposal for the general working capital requirements of the Group.

6. RELATIVE FIGURES UNDER RULE 1006 OF THE CATALIST RULES

6.1. Relative Figures for the Disposals

For the purposes of Chapter 10 of the Catalist Rules of the SGX-ST, and in particular Rule 1005 of the Catalist Rules, under which separate transactions completed within the last twelve (12) months may be required to be aggregated and treated as if they were one transaction, the aggregated relative figures for the Proposed Microfits Disposal and the Multiplate Disposal, computed on the bases set out in Rule 1006 of the Catalist Rules based on the latest announced consolidated financial statements of the Group for H1FY2020 are as follows:

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Catalist Rule	Bases of Calculation	Relative Figures for the Proposed Microfits Disposal	Relative Figures for the Multiplate Disposal	Relative Figures for the Disposals
Rule 1006(a)	The net asset value of the assets to be disposed of, compared with the net asset value of the Group. This basis is not applicable to an acquisition of assets.	(15.1%) ⁽¹⁾	54.3% ⁽²⁾	39.2% ⁽³⁾
Rule 1006(b)	The net profits ⁽⁴⁾ attributable to the assets acquired or disposed of, compared with the Group's net profits.	40.2% ⁽⁵⁾	16.3% ⁽⁵⁾	56.4% ⁽⁵⁾
Rule 1006(c)	Aggregate value of the consideration given or received, compared with the issuer's market capitalisation based on the total number of issued shares excluding treasury shares.	42.5% ⁽⁶⁾	38.5% ⁽⁷⁾	81.0% ⁽⁸⁾
Rule 1006(d)	Number of equity securities issued by the issuer as consideration for an acquisition, compared with the number of equity securities previously in issue.	Not applicable as this is a disposal.	Not applicable as this is a disposal.	Not applicable as this is a disposal.
Rule 1006(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable as the Company is not a mineral, oil and gas company.	Not applicable as the Company is not a mineral, oil and gas company.	Not applicable as the Company is not a mineral, oil and gas company.

Notes:

- (1) For purposes of calculating the relative figure under Rule 1006(a) of the Catalist Rules, the net liabilities value of Microfits as at 30 June 2020 had been adjusted to take into account of the waiver amounting to S\$9,387,000 for amounts owing to the Company by Microfits as of 30 June 2020, resulting in an adjusted net assets value of S\$139,000. The net liability value of the Group as at 30 June 2020 is S\$923,000.
- (2) For purposes of calculating the relative figure under Rule 1006(a) of the Catalist Rules, the net liabilities value of Multiplate as at 30 June 2020 had been adjusted to take into account of the waiver amounting to S\$8,513,000 (based on an exchange rate of S\$1 = RM3.07607) for amounts owing to the Company by Multiplate as of 30 June 2020, resulting in an adjusted net liabilities value of S\$501,000 (based on an exchange rate of S\$1 = RM3.07607). The net liability value of the Group as at 30 June 2020 is S\$923,000.
- (3) For purposes of calculating the relative figure under Rule 1006(a) of the Catalist Rules, the adjusted aggregated net liabilities value of Multiplate and Microfits of S\$362,000 as at 30 June 2020 is divided by the net liability value of the Group as of S\$923,000 at 30 June 2020.
- (4) "net profits" means profit or loss including discontinued operations that have not been disposed and before income tax and non-controlling interests.
- (5) Based on the unaudited financial statements of the Group for H1FY2020, the net loss attributable to Multiplate and Microfits is S\$215,000 (based on an exchange rate of S\$1 = RM3.07607) and S\$530,000 respectively. The net loss attributable to the Group is approximately S\$1,320,000.

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- (6) The aggregate value of consideration received, for purposes of calculating the relative figure under Rule 1006(c) of the Catalist Rules, had been calculated based on the aggregate of (i) the consideration of S\$100,000, and (ii) the waiver of \$9,387,000 as of 30 June 2020. The Company's market capitalization of S\$22,324,126 was computed based on the Company's existing issued and paid-up capital of 22,324,126,058 Shares and the volume weighted average price of S\$0.001 per Share on 30 October 2020, being the last trading day preceding the date of the Microfits SPA.
- (7) The aggregate value of consideration received, for purposes of calculating the relative figure under Rule 1006(c) of the Catalist Rules, had been calculated based on the aggregate of (i) the Consideration of S\$90,000, and (ii) the waiver of S\$8,513,000 (based on an exchange rate of S\$1 = RM3.07607) as of 30 June 2020. The Company's market capitalization of S\$22,324,126 was computed based on the Company's existing issued and paid-up capital of 22,324,126,058 Shares and the volume weighted average price of S\$0.001 per Share on 11 August 2020, being the last trading day preceding the date of the Multiplate SPA.
- (8) The aggregate value of consideration received, for purposes of calculating the relative figure under Rule 1006(c) of the Catalist Rules, had been calculated based on the aggregate of (i) the total consideration for the Proposed Microfits Disposal and Multiplate Disposal of S\$190,000, and (ii) the total waiver of S\$17,901,000 as of 30 June 2020. The Company's market capitalization of S\$22,324,126 was computed based on the Company's existing issued and paid-up capital of 22,324,126,058 Shares and the volume weighted average price of S\$0.001 per Share on 30 October 2020, being the last trading day preceding the date of the Microfits SPA.

As the relative figure computed pursuant to Rule 1006(c) in respect of the Disposals is more than 50% threshold in the Catalist Rules, the Disposals constitute a "major transaction" as defined under Chapter 10 of the Catalist Rules. Further, as stated in the Company's announcement dated 5 October 2020 in relation to the SGX-ST Waivers, the Company is required to obtain Shareholders' approval for the Multiplate Disposal by way of ratification at an EGM. Please refer to Section 6.2 of this Circular for more details. Accordingly, the Company intends to seek the approval of its Shareholders for the Proposed Microfits Disposal and Proposed Ratification of the Multiplate Disposal at the EGM because while the Microfits Disposal has not completed as at the Latest Practical Date, the Company is currently in the midst of transferring the Multiplate Sale Shares to the Multiplate Purchaser and the transfer of the Multiplate Sale Shares is expected to complete by the date of the EGM.

6.2. Waiver from Rule 1014(2) and 1014(5) of the Catalist Rules for the Multiplate Disposal

As announced by the Company on 5 October 2020, the Company had submitted the SGX-ST Waivers to SGX RegCo in relation to the Multiplate Disposal and the Company had, on 2 October 2020, received a letter from the SGX RegCo informing the Company that the SGX RegCo had no objections to granting the SGX-ST Waivers subject to the following conditions:

- (a) the Company announcing the SGX-ST Waivers granted, the reasons for seeking the SGX-ST Waivers, the conditions as required under Rule 106 of the Catalist Rules and if the conditions for the SGX-ST Waivers have been satisfied. If the conditions for the SGX-ST Waivers have not been met on the date of the announcement, the Company must make an update announcement when the conditions have all been met;
- (b) the Company obtaining Shareholders' approval of the Multiplate Disposal by way of ratification at the EGM to be convened within 3 months from the Multiplate Completion; and

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- (c) the shareholders (namely ASTI Holdings Limited, Dato' Michael Loh Soon Gnee, and Mr. Seah Chong Hoe) providing undertakings to the Company to: -
- (i) vote in favour of the Multiplate Disposal during the ratification EGM, and
 - (ii) not decrease their shareholdings in the Company as at the point of providing the undertakings until the conclusion of the EGM.
- (collectively, the “**Undertakings**”)

The SGX-ST Waivers will not be valid if any of the abovementioned conditions have not been fulfilled, and the Company is required to make an immediate disclosure via SGXNET if it is/will be in contravention of any laws and regulations governing the Company and the constitution of the Company (or the equivalent in the Company's country of incorporation) arising from the SGX-ST Waivers.

As at the Latest Practicable Date, the SGX-ST Waivers conditions (a) and (c) have been fulfilled. In view of the above, it is Company's intention to convene an EGM to seek the Shareholders' approval concurrently for the Proposed Microfits Disposal and the Multiplate Disposal by way of ratification.

6.3. Reasons for seeking the SGX-ST Waivers

6.3.1. Reasons for seeking Rule 1014(2) Waiver

The Company had sought the Rule 1014(2) Waiver for the following reasons:

- (a) Expediting the process of the Multiplate Disposal

The Company believes that if the Rule 1014(2) Waiver is granted, such that the approval of the Shareholders at a general meeting does not have to be sought for the Multiplate Disposal, it will expedite the process of the Multiplate Disposal and hence reduce the further losses incurred by the Group because Multiplate is a loss-making asset.

Multiplate has been loss-making since the FY2015 and requires a monthly cash injection of between RM150,000 to RM250,000 from the Company, for its day-to-day operations. Given that the Company will be obtaining the Undertakings from ASTI Holdings Limited, Dato' Michael Loh Soon Gnee and Mr. Seah Chong Hoe (who collectively hold approximately 75.01% of the Shares in the Company), having a general meeting for the purposes of obtaining approval of the Shareholders will be merely a formality as the Company would already have the requisite majority to approve the Multiplate Disposal once the letters of Undertakings have been obtained. Accordingly, if the Rule 1014(2) Waiver is granted, the Company will be able to complete the Multiplate Disposal sooner and this will remove the need for the monthly capital injections to be made into Multiplate. This will in turn help ease the cash flow issues faced by the Company and improve the financial results of the Group.

- (b) Poor financial results of Multiplate

Despite the various cost cutting measures implemented, Multiplate has been loss-making since FY2015. Furthermore, the Company's management does not foresee the situation turning around in the near future for Multiplate.

Based on the financial effect of the Multiplate Disposal, as provided for below, the Company also believes that the Multiplate Disposal will not cause a material impact to the Group.

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Net Tangible Assets

The effects of the Multiplate Disposal on the audited consolidated NTA per share of the Group as at 31 December 2019, assuming that the Multiplate Disposal had been effected on 31 December 2019, are summarised below:

	Before the Multiplate Disposal	After the Multiplate Disposal
Consolidated NTA ⁽¹⁾ (S\$'000)	(2,202)	(1,636)
Number of shares	22,324,126,058	22,324,126,058
Consolidated NTA per share (Singapore cents)	(0.01)	(0.01)

Notes:

(1) NTA is computed based on total assets less total liabilities and intangible assets.

Loss per share

The effects of the Multiplate Disposal on the audited consolidated LPS of the Group for FY2019, assuming that the Multiplate Disposal had been effected on 1 January 2019, are summarised below:

	Before the Multiplate Disposal	After the Multiplate Disposal
Loss attributable to equity holders of the Company (S\$'000)	4,394	3,775
Weighted average number of Shares	22,324,126,058	22,324,126,058
LPS (cents)	0.02	0.02

As illustrated above, the NTA for the Group will improve after the Multiplate Disposal and the loss attributable to equity holders of the Company will also be reduced after the Multiplate Disposal.

Furthermore, in relation to the waiver of debts of S\$8.6 million (based on an exchange rate of S\$1 = RM3.0437) between the Company and Multiplate ("**Outstanding Debt**") as of 31 July 2020, the Company has previously made full provision for doubtful debt for the Outstanding Debt. The Company wishes to highlight that, even in a situation where Multiplate is shut down or liquidated, the Company will still need to write off the Outstanding Debt as Multiplate does not have the means and ability to pay the Outstanding Debt. In addition, the Company is of the view that they will not be able to find a buyer that will be willing to take up the Outstanding Debt as well as provide a consideration for the acquisition of Multiplate from the Company, given that Multiplate has been loss-making since FY2015 and has a net tangible liabilities position of RM27,094,000 as of 31 December 2019.

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Lastly, the Company has considered alternative solutions such as shutting down or liquidating Multiplate. However, in relation to shutting down Multiplate, the Company will need to borrow additional funds in order to shut down Multiplate, and will also incur additional costs, including (i) retrenchment costs of RM659,000; (ii) reinstatement costs of RM250,000; and (iii) the outstanding amount due to creditors of S\$530,000 (after writing off inter-company loans of approximately S\$8,373,000 as of 31 December 2019).

6.3.2. Reasons for seeking Rule 1014(5) Waiver

The Company had sought the Rule 1014(5) Waiver for the following reasons:

(a) Potentially very low or near zero valuation

Multiplate has been loss making since FY2015. Despite the cost cutting measures implemented by Multiplate and the change in management, Multiplate was unable to turn around its financial situation and Multiplate has not been investing in any plant, property or equipment for the past few years. In order to turn around the financial situation of Multiplate, Multiplate will likely require a huge capital investment in order for Multiplate to get new customers. Multiplate is in a net liabilities value of RM27.1 million as of 31 December 2019 and has been depending on monthly cash injection from the Company. Based on the foregoing, a qualified and experienced valuer has indicated a valuation of zero or near zero under the income approach valuation. Accordingly, the valuation may not be meaningful.

(b) Consideration

The Company have been trying to divest the shares of Multiplate for over a year. However, due to the losses, net liability position and old equipment in relation to Multiplate, the Company faced difficulties in finding a suitable purchaser to Multiplate. The Company believes that even if the valuation is done, it is unlikely that the valuation will have any impact on the Multiplate Sale Price. The Multiplate Purchaser may not be willing to increase the Multiplate Sale Price given that Multiplate is loss making and has a huge net liabilities value on their balance sheet.

(c) Cost

As the Group is also making losses, the Group has also implemented cost cutting measures and reduced any expenditures, where possible. The valuation report may cost the Group around S\$30,000.

(d) Time

The valuation process may exceed one month and may further delay the date of completion of the Multiplate Disposal. As such, the Group may need to inject further cash into Multiplate for their day to day operations, hence further draining the Group's resources.

(e) Possible alternative to the Multiplate Disposal

If not for the Multiplate Disposal, the Company has the intention to cease the operations of Multiplate. This would cost the Company approximately RM2.7 million, which includes the retrenchment costs and the amount required to repay Multiplate's creditors. Accordingly, in this situation, the Group will not be required to engage a valuer but will also be in a worse off situation.

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7. FINANCIAL EFFECTS OF THE DISPOSALS

The financial effects of the Disposals on the Group as set out below are for illustrative purposes only and are not intended to reflect the actual future financial performance or position of the Group immediately after the Microfits Completion and Multiplate Completion.

The financial effects of the Disposals have been prepared based on the Group's audited consolidated financial statements for FY2019, on the assumptions that the expenses incurred for the Disposals are assumed to be insignificant and have been ignored for the purposes of computing the financial effects.

For the avoidance of doubt, these financial effects do not take into account (i) any other corporate actions announced and undertaken by the Group; and (ii) any issuance of new shares, on or after 1 January 2020.

The Disposals

(a) Net Tangible Assets

The effects of the Disposals on the audited consolidated NTA per share of the Group as at 31 December 2019, assuming that the Disposals had been effected on 31 December 2019, are summarised below:

	Before the Proposed Disposals	After the Proposed Disposals
Consolidated NTA ⁽¹⁾ (S\$'000)	(2,202)	(1,948)
Number of shares	22,324,126,058	22,324,126,058
Consolidated NTA per share (Singapore cents)	(0.01)	(0.01)

Notes:

(1) NTA is computed based on total assets less total liabilities and intangible assets.

(b) Loss per share

The effects of the Disposals on the audited consolidated LPS of the Group as at 31 December 2019, assuming that the Disposals had been effected on 1 January 2019, are summarised below:

	Before the Proposed Disposals	After the Proposed Disposals
Loss attributable to equity holders of the Company (S\$'000)	4,394	4,557
Weighted average number of Shares	22,324,126,058	22,324,126,058
LPS (cents)	0.02	0.02

LETTER TO SHAREHOLDERS

8. INTERESTS OF DIRECTORS AND CONTROLLING SHAREHOLDERS

The interests of the Directors and Substantial Shareholders in the Shares of the Company as at the Latest Practicable Date are as follows:

	Direct Interest		Deemed Interest		Total Interest	
	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾	No. of Shares	% ⁽¹⁾
Directors						
Dato' Sri Mohd. Sopiyan B. Mohd. Rashdi	-	-	-	-	-	-
Dr. Kenneth Yu Keung Yum	-	-	-	-	-	-
Mr. Steven Shen Hing	-	-	-	-	-	-
Seah Chong Hoe	6,500,000,000	29.12	-	-	6,500,000,000	29.12
Substantial Shareholder (other than Directors)						
Dato' Michael Loh Soon Gnee	4,444,444,444	19.91	-	-	4,444,444,444	19.91
ASTI Holdings Limited	5,800,791,930	25.98	-	-	5,800,791,930	25.98

Note:

⁽¹⁾ Based on the share capital at the Latest Practicable Date.

None of the Directors, Substantial Shareholders and/or the Controlling Shareholders of the Company or any of their respective associates have any interest or are deemed to be interested in the Disposals, save for their respective directorship and/or shareholding interest in the Company.

9. SERVICE AGREEMENT

No person is proposed to be appointed as a director of the Company in connection with the Disposals. Accordingly, no service contract is proposed to be entered into between the Company and any such person.

10. DIRECTORS' RECOMMENDATIONS

The Directors, having considered, *inter alia*, the rationale and benefits for the Proposed Microfits Disposal and Proposed Ratification of the Multiplate Disposal, are of the opinion that the Disposals are in the best interests of the Company. Accordingly, the Directors recommend that Shareholders vote in favour of the ordinary resolutions relating to the Proposed Microfits Disposal and Proposed Ratification of the Multiplate Disposal, as set out in the Notice of EGM.

LETTER TO SHAREHOLDERS

11. CONSENT

The Independent Valuer has given and has not withdrawn its written consent to the issue of this Circular with the inclusion herein of, and all references to (i) its name and (ii) the Valuation Report in the form and context in which they are included and appear in this Circular, and to act in such capacity in relation to this Circular and the availability of the Valuation Report as a document for inspection.

12. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 30 to 31 of this Circular, will be held by electronic means, on 21 December 2020 at 3.00 p.m. for the purpose of considering and, if thought fit, passing with or without modifications, the resolutions set out in the Notice of EGM. Copies of the Notice of EGM will be dispatched to members and made available on the Company's website at www.asa.com.sg, and on the SGX website at <https://www.sgx.com/securities/company-announcements>. Further information on the arrangements by which the EGM can be electronically accessed are set out in the Notice of EGM.

13. ACTION TO BE TAKEN BY SHAREHOLDERS

All Shareholders must vote by proxy only. Shareholders must appoint the Chairman to act as their proxy, and depositor proxy forms appointing such person other than the Chairman shall be deemed to appoint the Chairman as proxy. Shareholders should specifically direct the Chairman on how they wish to vote for or vote against (or abstain from voting on) the resolutions in the depositor proxy form attached to this Circular. If no specific direction as to voting is given, the Chairman may vote or abstain from voting at his/her discretion. Due to the current Covid-19 situation in Singapore, Shareholders will be able to attend the EGM via electronic means.

14. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Circular and confirm after making all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the Disposals, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this Circular misleading.

Where information in this Circular has been extracted from published or otherwise publicly available sources or obtained from a named source, it is the sole responsibility of the Directors to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Circular in its proper form and context.

LETTER TO SHAREHOLDERS

15. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the office of the Company's registered address, 25 Kallang Avenue, #06-01, Kallang Basin Industrial Estate, Singapore 339416, during normal business hours on any weekday (public holidays excepted) for three months from the date of this Circular:

- (a) the Microfits SPA;
- (b) the Valuation Report;
- (c) the Multiplate SPA; and
- (d) the consent letter from the Valuer.

Yours faithfully
For and on behalf of the Board of Directors of
Advanced Systems Automation Limited

Dato' Sri Mohd.Sopiyan B. Mohd. Rashdi
Chairman

APPENDIX – VALUATION REPORT



Savills Valuation and
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10 November 2020

The Board of Directors

Advanced Systems Automation Limited
Blk 25, Kallang Avenue, #06-01,
Kallang Basin Industrial Estate
Singapore 339416

INDEPENDENT VALUATION SUMMARY LETTER

Dear Sirs,

1. Introduction

Savills Valuation and Professional Services (S) Pte. Ltd. ("Savills" or "we") has been appointed by the Board of Directors (the "Directors") of Advanced Systems Automation Limited ("ASA" or the "Company") to perform valuation of 100% equity interests in certain subsidiaries of ASA, as shown in the table below, as at 31 July 2020 (the "Valuation Date") for the purposes of strategic planning and decision-making (the "Purpose").

Entity Name	
1) ASA Multiplate Sdn. Bhd. ("ASAM")	The two entities on the left are collectively known as the Targets.
2) Microfits Pte. Ltd. ("MPL")	

This letter (the "Letter") has been prepared for the purpose of incorporation to the circular to be issued in relation to the proposed disposal of the Targets by the Company (the "Proposed Transaction"), and is a summary of the information contained in our valuation report dated 10 November 2020 (the "Report"). Accordingly, the Letter should be read in conjunction with the full text of the Report.

2. Terms of Reference

Savills has been appointed by the Directors of the Company to perform valuation of 100% equity interests in the Targets as at the Valuation Date for the Purpose.

We are not expressing an opinion or any form of assurance on the merits of any transaction including the Proposed Transaction. Accordingly, the Letter and the Report do not purport to contain all the information that may be necessary or desirable to fully evaluate the merits of the Proposed Transaction. The assessment of the merits of the Proposed Transaction is solely the responsibility of the Directors of the Company. Additionally, our work does not constitute any buy or sell recommendations and should not be considered as providing any commercial, financial, investment, divestment and legal advice to the Company and any other parties concerned. Our work cannot replace any managerial decision or judgement/recommendation made by the Directors.

We do not evaluate or comment on the commercial, financial, investment, divestment and legal merits and/or risks of any transaction including the Proposed Transaction.



The scope of our engagement does not require us to visit the premises and factories/plants of the Targets and we have not done so. We have not conducted a comprehensive review of the business and do not express a view on the future growth prospects and earnings potential of the Company and/or the Targets. Accordingly, the Letter and the Report do not make any representation or warranty, express or implied in this regard.

Use of the Letter and the Report

The Letter and the Report are addressed solely to, and for the use and benefit of the Directors of the Company for the Purpose, and accordingly neither the Letter nor the Report may be used or relied upon by, nor confer any benefit to, any other person (including without limitation, the current and prospective shareholders of the Company). If others choose to rely in any way on the contents of the Letter and the Report, they do so entirely at their own risk. Any recommendation made by the Directors to the shareholders of the Company shall remain the responsibility of the Directors.

Reliance on Information and Representation

Our work is not of the same nature as an audit. Instead our work is in the nature of a review of the information provided to us and discussions with the Company and/or the Targets' management (the "Management").

In the course of our work, we have held discussions with the Company and the Management. We have also relied upon information provided to us by the Company and the Management. In particular, we have relied upon various explanations provided by the Company and the Management with regard to the Targets, and financial information obtained through discussions and email correspondences during the course of this engagement. We have assumed such information is reliable, accurate, complete and without omission of material facts.

We have not audited or otherwise verified all the information provided by the Company and the Management and therefore will not check the accuracy of the information or any explanations provided. Instead, we will be relying on the representations from the Company and the Management regarding the reliability, accuracy and completeness of the information provided to us. We will not be liable for any loss or damage arising from information material to our work being withheld or concealed from us or misrepresented to us by the Company and the Management or any other person of whom we make enquiries.

The Directors have also confirmed that, to the best of their knowledge and belief, that all material information available to them with respect to the Targets that is relevant for the Purpose, has been disclosed to us and that such information is reliable, accurate and complete in all material aspects, and that there is no other information or fact, the omission of which would cause any information disclosed to us to be inaccurate, incomplete or misleading in any material respect.

We have also performed our own research from publicly available information to gather industry information, analyses and comments. We are not responsible for the accuracy of the data provided by such external sources.

3. Valuation Methodology

Basis of Value

The basis of value describes the fundamental premise on which the reported value will be based. We have adopted Market Value which, according to International Valuation Standards ("IVS"), is defined as "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."



Selection of Valuation Approach and Method

100% equity interests in ASAM and MPL

We have adopted the Summation Method under the Cost Approach as our primary method for the valuation analysis of 100% equity interests in ASAM and MPL.

As the Market Approach and the Income Approach are not appropriate for the valuation of the Targets, we have only adopted the Cost Approach and the valuation cross-check is not applicable for this valuation engagement.

Key Assumptions

Our valuation is based on various assumptions with respect to the Targets, including their respective present and future financial condition, business strategies, and the environment in which they will operate in the future. These assumptions are based on the information that we have been provided and our discussions with the Company and the Management, and reflect current expectations and views as at the Valuation Date regarding future events, and therefore necessarily involved known and unknown risks and uncertainties.

The estimates of earnings and cash flow data, to the extent they relate to the future, reflect the expectations of the Management as to the business prospects of the Targets and are solely used in our valuation analysis and are not intended for use as forecasts or projections of future operations. Furthermore, there will usually be differences between the estimated and actual results because events and circumstances may not occur as expected and those differences may be material.

We have set out in the Report the key assumptions used in our valuation as well as risk factors that, in our opinion, may have a material impact on the valuation of the Targets. It should be noted that it is not an exhaustive list of all risk factors relevant to the Targets.

4. Conclusion

In summary and as detailed in the Report, which should be read in conjunction with this letter to the Directors, the Market Value of 100% equity interests in the Targets as at the Valuation Date are summarised in the table below.

Description	Valuation ('000)
100% equity interest in ASAM	RM nil
100% equity interest in MPL	SGD63

Our valuation conclusion is based on the prevailing economic, market, industry, regulatory, and other conditions as at the Valuation Date and on the information made available to us as of the date of the Report. These conditions may change significantly over a relatively short period of time. We assume no responsibility and are not required to update, revise or reaffirm the valuation results set out in the Letter and the Report to reflect events or developments subsequent to the Valuation Date and the date of the Letter and the Report.

APPENDIX – VALUATION REPORT



Yours faithfully,
For and on behalf of
Savills Valuation and Professional Services (S) Pte. Ltd.

A handwritten signature in black ink, appearing to be "J. Doan Thuan Hai", written over a horizontal line.

Jason Doan Thuan Hai
Executive Director
Business Valuation & Advisory

NOTICE OF EXTRAORDINARY GENERAL MEETING



(Incorporated in the Republic of Singapore)
(Company Registration No. 198600740M)

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“**EGM**”) of **Advanced Systems Automation Limited** (the “**Company**”) will be held by way of electronic means on 21 December 2020 at 3.00 p.m. for the purpose of considering and, if thought fit, passing the following resolution:

*All capitalised terms in the resolution below and defined in the Circular dated 4 December 2020 to the shareholders of the Company (the “**Circular**”) shall, unless otherwise defined herein, have the respective meanings ascribed thereto in the Circular.*

ORDINARY RESOLUTION 1

THE PROPOSED MICROFITS DISPOSAL

THAT:

- (a) approval be and is hereby given to for the Company to dispose of the entire issued and paid-up share capital of Microfits Pte. Ltd., a wholly-owned subsidiary of the Company, to M and R Manufacturing Sdn Bhd at the purchase consideration of S\$100,000 and on such terms and conditions of the sale and purchase agreement dated 31 October 2020 entered into between the Company and M and R Manufacturing Sdn Bhd; and
- (b) any Director of the Company be and is hereby authorised to complete and do all such acts and things (including executing all such documents and ancillary agreements and to make all such amendments thereto as may be required in connection with the Proposed Microfits Disposal) as he may in his absolute discretion consider necessary, desirable or expedient in the interests of the Company to give full effect to the Proposed Microfits Disposal and/or this ordinary resolution.

ORDINARY RESOLUTION 2

THE PROPOSED RATIFICATION OF THE MULTIPLATE DISPOSAL

THAT:

- (a) the disposal by the Company of its 90% equity interest in ASA Multiplate (M) Sdn Bhd. to M and R Integrated Solution Sdn Bhd for a consideration of S\$90,000 on such terms and conditions of the sale and purchase agreement dated 11 August 2020 entered into between the Company and M and R Integrated Solution Sdn Bhd be and is hereby approved, confirmed and ratified;
- (b) any Director of the Company be and is hereby authorised to complete and do all such acts and things (including executing all such documents and ancillary agreements and to make all such amendments thereto as may be required in connection with the Proposed Ratification of the Multiplate Disposal) as he may in his absolute discretion consider necessary, desirable or expedient in the interests of the Company to give full effect to the Proposed Ratification of the Multiplate Disposal and/or this ordinary resolution; and

NOTICE OF EXTRAORDINARY GENERAL MEETING

- (c) any acts, matters and things done or performed, and/or documents signed, executed, sealed and/or delivered by the Directors or any of them in connection with the foregoing be and are hereby approved, confirmed and ratified.

BY ORDER OF THE BOARD
Advanced Systems Automation Limited

Dato' Sri Mohd. Sopiyan B. Mohd. Rashdi
Chairman

4 December 2020

Measures to Minimize Risk of Community Spread of 2019 Novel Coronavirus ("COVID-19")

On 3 April 2020, the Singapore Government announced the implementation of circuit breaker measures (enhanced safe distancing measures and closure of non-essential workplace premises) to curb the further spread of COVID-19.

The COVID-19 (Temporary Measures) Act 2020 was passed by Parliament on 7 April 2020 and the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020 was issued by the Minister for Law on 13 April 2020 which provide, among others, legal certainty to enable issuers to make alternative arrangements to hold general meetings where personal attendance is required under written law or legal instruments (such as a company's constitution). A joint statement was also issued on 13 April 2020 by the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and the Singapore Exchange Regulation providing guidance for listed and non-listed entities on the manner in which general meetings are to be conducted during the period when elevated safe distancing measures are in place. A further joint statement was issued on 1 October 2020 by the Accounting and Corporate Regulatory Authority, the Monetary Authority of Singapore and the Singapore Exchange Regulation providing guidance for listed and non-listed entities on the manner in which general meetings are to be conducted and encouraging such general meetings to be conducted via electronic means.

In light of the above developments, the Company is arranging for a live audio-visual webcast (the "**Live EGM Webcast**") and a live audio only broadcast ("**Live EGM Audio Feed**") of the Extraordinary General Meeting proceedings which will take place on 21 December 2020 at 3.00 p.m. ("**EGM**"). **Shareholders will be able to attend the EGM proceedings through the Live EGM Webcast and Live EGM Audio Feed, and the Company will not accept any physical attendance by shareholders. Any shareholder seeking to attend the EGM physically in person will be turned away.**

Shareholders will be able to participate in the EGM in following manner set out in the paragraphs below.

Live Webcast:

1. Shareholders may attend the EGM proceedings through the Live EGM Webcast and Live EGM Audio Feed. To do so, shareholders will need to register at <https://agm.conveneagm.com/asa> (the "**Registration Link**") by **3.00 p.m. on 18 December 2020** (the "**Registration Deadline**") to enable the Company to verify their status.
2. Following verification, authenticated shareholders will receive an email by 19 December 2020 which will allow them to access the Live EGM Webcast and the Live EGM Audio Feed, using the account created during the registration, via the live audio-visual webcast and via the live audio only broadcast of the EGM proceedings on 21 December 2020.
3. Shareholders must not forward the abovementioned details and/or links to other persons who are not Shareholders of the Company and who are not to attend the EGM. This is also to avoid any technical disruptions or overload to the live audio-visual webcast and the live audio only broadcast of the EGM proceedings.
4. Shareholders who register by the Registration Deadline but do not receive an email response by **3.00 p.m. on 19 December 2020** may contact the Company by email to EGM2020@asa.com.sg with the full name of the shareholder and his/her identification number.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Submission of Proxy Forms to Vote:

1. **Shareholders will not be able to vote online or through the Live EGM Webcast or the Live EGM Audio Feed on the resolutions to be tabled for approval at the EGM. Shareholders who wish to vote at the EGM may submit a proxy form to appoint the Chairman of the EGM to cast votes on their behalf.**
2. Shareholders (whether individual or corporate) appointing the Chairman of the EGM as proxy must give specific instructions as to his manner of voting, or abstentions from voting, in the proxy form, failing which the appointment will be treated as invalid.
3. The Chairman of the EGM, as proxy, need not be a shareholder of the Company.
4. The instrument appointing a proxy or proxies, duly completed and signed, must be deposited/submitted:
 - (a) by mail to **ADVANCED SYSTEMS AUTOMATION LIMITED, 25 Kallang Avenue #06-01, Kallang Basin Industrial Estate, Singapore 339416**; or
 - (b) by email to EGM2020@asa.com.sg.

by no later than 3.00 p.m. on 18 December 2020, being 72 hours before the time fixed for the EGM.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.
5. CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes **at least seven (7) working days before the EGM (i.e. by 3.00 p.m. on 10 December 2020)** in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by the cut-off date.

Submission of Questions:

1. **Please note that shareholders will not be able to ask questions at the EGM during the Live EGM Webcast or the Live EGM Audio Feed, and therefore it is important for shareholders to pre-register their participation in order to be able to submit their questions in advance of the EGM.**
2. Shareholders may submit questions relating to the items on the agenda of the EGM by:
 - (a) digital submission at <https://agm.conveneagm.com/asa>; or
 - (b) email to EGM2020@asa.com.sg. When submitting the questions, please provide the Company with the following details, for verification purpose:
 - (i) Full name (Company name for corporates);
 - (ii) Current address;
 - (iii) Number of shares held; and
 - (iv) The manner in which you hold shares in the Company (e.g. via CDP, CPF or SRS);
 - (c) mailed to the Company at:

ADVANCED SYSTEMS AUTOMATION LIMITED
25 Kallang Avenue #06-01,
Kallang Basin Industrial Estate,
Singapore 339416
3. The Company will endeavour to address the substantial and relevant questions at or before the EGM. The responses to such questions from shareholders will be posted on the SGXNet and the Company's website before the Proxy Form submission Deadline, or if answered during the EGM, to be included in the minutes of the EGM, which will be uploaded within one month after the date of the EGM.
4. All questions must be submitted by 13 December 2020.

Miscellaneous:

1. The Circular and its accompanying Proxy Form has also been made available on SGXNet.
2. Please note that all documents relating to the business of the EGM will be published on SGXNET and will be published together with the Notice of EGM.

NOTICE OF EXTRAORDINARY GENERAL MEETING

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Extraordinary General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Extraordinary General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Extraordinary General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

*This notice has been reviewed by the Company's sponsor, SAC Capital Private Limited (the "**Sponsor**").*

*This notice has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this notice, including the correctness of any of the statements or opinions made, or reports contained in this notice.*

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.

PROXY FORM

ADVANCED SYSTEMS AUTOMATION LIMITED

(Company Registration No: 198600740M)
(Incorporated in the Republic of Singapore)

**PROXY FORM
EXTRAORDINARY GENERAL MEETING**

This proxy form has been made available on SGXNET on 4 December 2020.

IMPORTANT:

1. The Extraordinary General Meeting ("EGM") is being convened, and will be held, by electronic means pursuant to First Schedule of the COVID-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. Printed copies of the Notice of EGM (the "Notice") will NOT be sent to members. Instead, the Notice will be sent to members of the Company by electronic means via publication on the SGXNET.
2. Due to the current COVID-19 restriction orders in Singapore, members of the Company will not be able to attend the EGM in person. A member (whether individual or corporate) must appoint the Chairman of the EGM as his/her/its proxy to attend, speak and vote on his/her/its behalf at the EGM if such member wishes to exercise his/her/its voting rights at the EGM.
3. CPF/SRS investors who wish to appoint the Chairman of the EGM as proxy should approach their respective SRS Operators to submit their votes by 3.00 p.m. on 10 December 2020.
4. Please read the notes to this Proxy Form

*I/We, _____ (Name) _____ (*NRIC/Passport/Registration No.)

of _____ (Address)

being a *member/members of **ADVANCED SYSTEMS AUTOMATION LIMITED**, (the "Company"), hereby appoint the Chairman of the EGM of the Company as *my/our proxy to attend and vote for *me/us on *my/our behalf at the EGM to be held by electronic means on 21 December 2020 at 3.00 p.m. and at any adjournment thereof.

*I/We direct the Chairman of the EGM of the Company, being *my/our proxy to vote for or against and/or to abstain from voting on the resolutions to be proposed at the EGM as indicated hereunder. **In the absence of specific directions in respect of a resolution, the appointment of the Chairman of the EGM as proxy for that resolution(s) will be treated as invalid.**

*Delete as appropriate

(Please indicate your vote "For" or "Against" or "Abstain" with a tick [✓] within the box provided if you wish to exercise all your votes. Alternatively, please indicate the number of votes as appropriate. If you mark "Abstain", you are directing your proxy not to vote.)

No.	Resolutions relating to:	For	Against	Abstain
1.	Approve the Proposed Microfits Disposal			
2.	Ratify the Multiplate Disposal			

**** Voting will be conducted by poll**

Dated this _____ day of _____ 2020

Total Number of Shares in:	No. of Shares
(a) CDP Register	
(b) Register of Member	

Signature(s) of Member(s)/Corporation's Common Seal

*Please delete as appropriate

IMPORTANT: PLEASE READ NOTES OVERLEAF

PROXY FORM

Notes:

1. Please insert the total number of Shares held by you. If you have Shares entered against your name in the Depository Register (as defined in Section 81SF of the Securities and Futures Act, Chapter 289 of Singapore), you should insert that number of Shares. If you have Shares registered in your name in the Register of Members, you should insert that number of Shares. If you have Shares entered against your name in the Depository Register and Shares registered in your name in the Register of Members, you should insert the aggregate number of Shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy shall be deemed to relate to all the Shares held by you.
2. The instrument appointing a proxy must either be (a) submitted by mail to **Advanced Systems Automation Limited, 25 Kallang Avenue #06-01, Kallang Basin Industrial Estate, Singapore 339416**; or (b) submitted by email to EGM2020@asa.com.sg, by no later than 3.00 p.m. on 18 December 2020, not later than 72 hours before the time set for the EGM.

In view of the current COVID-19 situation and the related safe distancing measures which may make it difficult for members to submit the completed proxy forms by post, members are strongly encouraged to submit completed proxy forms electronically via email.

3. The instrument appointing the Chairman of the EGM as a proxy must be under the hand of the appointor or his attorney duly authorised in writing. Where the instrument appointing the Chairman of the EGM as a proxy is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised. Where the instrument appointing a proxy is executed by an attorney on behalf of the appointor, the letter or power of attorney or a duly certified copy thereof must be lodged with the instrument, failing which this proxy form shall be treated as invalid.
4. CPF or SRS investors who wish to vote should approach their respective CPF Agent Banks or SRS Operators to submit their votes at least seven (7) working days before the EGM (i.e. by 3.00 p.m. on 10 December 2020) in order to allow sufficient time for their respective relevant intermediaries to in turn submit a proxy form to appoint the Chairman of the EGM to vote on their behalf by the cut-off date.

“**relevant intermediary**” means:

- (a) a banking corporation licensed under the Banking Act, Cap. 19 of Singapore, or a wholly-owned subsidiary of such a banking corporation, whose business includes the provision of nominee services and who holds shares in that capacity;
 - (b) a person holding a capital markets services licence to provide custodial services for securities under the Securities and Futures Act, Cap. 289 of Singapore, and who holds shares in that capacity; or
 - (c) the Central Provident Fund Board established by the Central Provident Fund Act, Cap. 36 of Singapore, in respect of shares purchased under the subsidiary legislation made under that Act providing for the making of investments from the contributions and interest standing to the credit of members of the Central Provident Fund, if the Board holds those shares in the capacity of an intermediary pursuant to or in accordance with that subsidiary legislation.
5. A corporation which is a member may authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the EGM, in accordance with Section 179 of the Companies Act, Chapter 50 of Singapore.

Personal Data Privacy

By attending the EGM and/or any adjournment thereof or submitting an instrument appointing a proxy(ies) and/or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Extraordinary General Meeting dated 4 December 2020.

General:

The Company shall be entitled to reject the instrument appointing a proxy if it is incomplete, improperly completed or illegible, or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy. In addition, in the case of Shares entered in the Depository Register, the Company may reject any instrument appointing a proxy lodged if the member, being the appointor, is not shown to have Shares entered against his name in the Depository Register as at 72 hours before the time appointed for holding the EGM, as certified by The Central Depository (Pte) Limited to the Company.