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

RECEIPT OF LETTER OF DEMAND FROM ASTI HOLDINGS LIMITED

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1. The board of directors (the "**Board**") of Advanced Systems Automation Limited (the "**Company**") refers to the Company's announcements dated 27 August 2024, 16 September 2024, 5 November 2024, 21 March 2025, 5 August 2025 and 5 September 2025 in relation to the receipt and withdrawal of a statutory demand letter ("**Statutory Demand**") from the lawyers of ASTI Holdings Limited ("**ASTI**") and the Company's commencement of HC/OA 801/2025 ("**OA 801**") (collectively, the "**Previous Announcements**").

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

3. In the Statutory Demand, ASTI had demanded the repayment of certain sums which were derived from:

   (a) the loan agreement dated 31 December 2020 between ASTI and the Company ("**10M Loan Agreement**");

   (b) the second addendum to the 10M Loan Agreement dated 6 June 2023 ("**Addendum No. 2**");

   (c) the loan agreement dated 25 November 2021 between ASTI and the Company ("**1M Loan Agreement**"); and

   (d) the corporate support service agreement dated 1 January 2019 between ASTI and the Company ("**CSSA**").

4. Following the commencement of OA 801, ASTI had, on 25 August 2025, offered to and subsequently withdrew the Statutory Demand issued against the Company, and had paid the Company costs of S$12,000, as disclosed in the Company's announcement dated 5 September 2025.

5. The Board wishes to announce that on 17 September 2025, the Company received a letter of demand (the "**Letter of Demand**") from the lawyers of ASTI demanding for the full repayment of the outstanding amounts allegedly owed by the Company to ASTI amounting to an aggregate of S$9,873,139.26 as at 31 July 2025 ("**Outstanding Amount**"), as well as all accrued and/or accruing interest up till the date of full payment within seven (7) days of the date of the Letter of Demand (i.e. by 23 September 2025).

6. In the Letter of Demand, ASTI has demanded payment of the following amounts:

   (a) S$396,941.94 pursuant to the CSSA, being payment for corporate services provided by ASTI to the Company for the period from 2022 to 2024;

   (b) S$8,298,700.45 pursuant to the 10M Loan Agreement, comprising S$6,939,362.15 in principal and S$1,359,338.30 in accrued interest stated to be outstanding as at 31 July 2025. The Letter of Demand further states that ASA had breached the payment schedule in the Addendum No. 2 by failing to make payment of the sum of S$1.0 million to ASTI on 31 July 2025, and that ASTI's rights against the Company in respect of earlier alleged breaches committed by the Company are expressly reserved; and

   (c) S$1,177,496.87 pursuant to the 1M Loan Agreement, comprising S$1,000,000 in principal and S$177,496.87 in accrued interest stated to be outstanding as at 31 July 2025 pursuant to the 1M Loan Agreement. The Letter of Demand further states that ASTI had previously extended S$1,000,000 in 'Earnest Deposits' for a transaction to be entered into in 2021, which subsequently lapsed due to non-satisfaction of conditions precedent, and that the said sum was thereafter converted into a loan under the 1M Loan Agreement on 25 November 2021.

7. ASTI's lawyers further communicated the following in the Letter of Demand:

   (a) further interest on all outstanding principal sums has accrued and/or continues to accrue after 31 July 2025, at the applicable Singapore Overnight Rate Average (which replaced the Singapore Interbank Offered Rate) plus Inland Revenue Authority of Singapore's (IRAS) indicative margins per annum, until the date of full payment, as provided under the respective agreements; and

   (b) whilst both parties had previously attempted to reach an amicable resolution on the above claims prior to the Letter of Demand, but were unable to come to a settlement. As such, ASTI is of the view that any fresh attempt to try and reach an amicable resolution prior to the commencement of legal proceedings would be futile and in the event that the Company does not comply with the demands set out in the Letter of Demand, ASTI shall be entitled to commence legal proceedings without further reference to the Company.

8. The Company has in its affidavit filed in the OA 801 (which has been provided to ASTI) already stated its position that the CSSA and the 10M Loan Agreement (and its Addendum No. 2) were, among other things, sham transactions and agreements; and that the Company has cross-claims against ASTI in damages arising therefrom. These disclosures to the Singapore Court led to ASTI withdrawing their Statutory Demand and paying the Company costs as announced by the Company on 5 September 2025.

9. The Company will rely on these same facts in contesting the alleged claims in the Letter of Demand and will continue to take all necessary steps to protect the interests of the Company and its shareholders.

10. The Company will provide further updates to shareholders of the Company as and when there are material developments to these matters, subject to legal advice.

11. **Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. Persons who are in doubt as to the action they should take should consult their stockbrokers, bank managers, solicitors, accountants, or other professional advisers.**

By Order of the Board
ADVANCED SYSTEMS AUTOMATION LIMITED

LING CHUNG YEE, ROY
Non-Executive Chairman
19 September 2025

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*This announcement has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. ("**Sponsor**").*

*This announcement 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 announcement, including the correctness of any of the statements or opinions made or reports contained in this announcement.*

The contact person for the Sponsor is Ms. Goh Mei Xian, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.