ADVANCE SCT LIMITED
(Company Registration Number: 200404283C)

UPDATE ON LEGAL PROCEEDINGS IN RESPECT OF TERMINATION OF PROPOSED ACQUISITION

The Board of Directors (the "**Board**") of Advance SCT Limited (the "**Company**") refers to its announcements (the "**Announcements**") dated 24 August 2011, 27 April 2012, 3 May 2012, 16 September 2012, 31 December 2012, 26 July 2013, 12 August 2013, 20 August 2013, 11 October 2013, 18 May 2015, 14 August 2015, 3 September 2015, 20 September 2015, and 8 October 2015 in relation to the proposed acquisition of working capital in China (the "**Proposed Acquisition**"), the securities borrowing agreements ("**SBA**") entered into by CNCM Capital Pte. Ltd. ("**CNCM**") in relation to the Proposed Acquisition, and the legal proceedings arising from the termination (the "**Termination**") of the Proposed Acquisition.

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

Regarding the arbitration award (the "**Arbitration Award**") by the Guangzhou Arbitration Commission (the "**Arbitration Commission**") where:

(a) details of the Arbitration Award were disclosed in announcement dated 18 May 2015;

(b) on 11 August 2015, the Company received a letter of demand for payment of the Arbitration Award sums, as disclosed in announcement dated 14 August 2015;

(c) having received notice that Qingyuan Shengli Copper Materials Co. Ltd. ("**QYSCM**") had obtained leave to enforce the abovementioned Arbitration Award in Singapore, the Company filed an application dated 16 September 2015 to the Guangzhou Intermediate People's Court for the setting aside of the Arbitration Award; and

(d) on 1 October 2015, the Company filed an application to the High Court of the Republic of Singapore (the "**Singapore High Court**") for the setting aside of the Arbitration Award,

the Company would like to announce that:

i. the Singapore High Court has granted the Company's application for a stay on the enforcement of the Arbitration Award for either (i) the duration of 1 year; or (ii) up to the determination of Advance SCT (Qingyuan) Co. Ltd's application to the Guangzhou Intermediate People's Court to set aside the Arbitration Award, whichever is the sooner;

ii. if the application in sub-paragraph (i) above has yet to be determined by the Guangzhou Intermediate People's Court toward the end of the 1 year period of stay, the Company is at liberty to apply for an extension of the stay;

iii. the stay in sub-paragraph (i) above as well as any extension of the stay is conditional upon the Company providing QYSCM with security for the sum of USD 5 million (US$ 5,000,000) in the form of an irrevocable banker's guarantee furnished by a reputable bank or financial institution in Singapore;

iv. the security in sub-paragraph (iii) above is to be provided by 5 p.m. on 1 February 2016, failing which the stay in sub-paragraph (i) above is lifted without further order, with liberty to parties to agree to a later date.

As at the date of this announcement, the Company is still deciding its next course of action in respect of the successful stay application. Further announcements will be made in connection with the progress of the legal proceedings as and when there are material developments.

Shareholders and potential investors are advised to exercise caution when trading in the shares of the Company in relation to this announcement. Shareholders are advised to read this announcement and any further announcements by the Company carefully. Shareholders should consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board
Advance SCT Limited

Simon Eng
Chief Executive Officer
29 December 2015