ADVANCE SCT LIMITED
(Company Registration Number: 200404283C)

(the "**Company**")

PROPOSED ISSUED OF S$2 MILLION REDEEMABLE CONVERTIBLE BONDS
- SIGNING OF MEMORANDUM OF UNDERSTANDING -

The Board of Directors (the "**Board**") of Advance SCT Limited (the "**Company**", and together with its subsidiaries, the "**Group**") is pleased to announce that it has on 19 July 2017 entered into a non-binding memorandum of understanding ("**MOU**") with BayCrest International Inc. ("**BCI**"), a company incorporated in the United States of America.

The MOU is an expression of interest by BCI and/or its nominees to subscribe for Singapore dollar two million (S$2 million) worth of redeemable convertible bonds ("**RCBs**") to be issued by the Company (the "**Proposed RCBs Placement**"). The Proposed RCBs Placement is part of a corporate exercise being contemplated by the Company that includes, *inter alia*, the capitalisation of debts held by several major creditors ("**Debt Capitalisation Exercise**").

Parties are still in negotiations as to the details of the Proposed RCBs Placement and will enter into a definitive agreement in due course. However, it is envisaged at this juncture that the RCBs will be valid for three (3) years from the date of issuance of the RCBs and carry a coupon rate of 3% per annum. The Proposed RCBs Placement is conditional upon the completion of the Debt Capitalisation Exercise.

None of the directors or substantial shareholders of the Group have any interest, directly or indirectly, in this transaction.

The Company will provide further details whenever there are developments of a material nature.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. Shareholders and potential investors should note that there is no certainty or assurance that the shares of the Company will eventually resume trading on the SGX-ST. Shareholders and potential investors are advised to read all further announcements by the Company carefully and to 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
24 July 2017