ADVANCE SCT LIMITED
(Company Registration No.: 200404283C)

SCHEME OF ARRANGEMENT:
TERMINATION OF ASCT SCHEME

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1. INTRODUCTION

1.1. The Board of Directors ("**Board**") of Advance SCT Limited (the "**Company**") refers to the Company's earlier announcements relating to its Scheme of Arrangement dated 4 January 2011 (as amended from time to time) ("**ASCT Scheme**"). Unless otherwise defined in this announcement, each capitalised term has the meaning ascribed to it in the announcements dated 15 September 2010, 1 January 2011, 10 June 2011, 28 June 2011, and in the ASCT Scheme.

2. TERMINATION OF ASCT SCHEME

2.1. The Company refers to the previous announcement on the ASCT Scheme dated 6 January 2016 (the "**Previous Announcement**"). Further to paragraph 3.3 of the Previous Announcement, the Company held a follow-up meeting with Eligible Creditors on 14 January 2016 to discuss the orderly exercise of the Debenture and the discharge of the ASCT Scheme.

2.2. The Board wishes to announce that the remaining Eligible Creditors have agreed to vary the ASCT Scheme and by such variation settle all outstanding debts with the Company and terminate the ASCT Scheme on the following terms:

2.2.1. ASCT shall redeem two of the three remaining Eligible Creditors the total amount due to them, which stood at S$145,153.91 as at 31 December 2015. .

2.2.2. Pursuant to the exercise of the Debenture, the Company shall transfer all of the Company's shares in its wholly-owned subsidiary, Green World Holdings Ltd ("**GWH**") to the remaining Eligible Creditor (the "**REC**") who holds a remaining outstanding debt of S$5,540,525.55 ("**Outstanding Debt**") (the "**Transfer**") as at 31 December 2015, on materially the following terms:

(a) The book value of GWH based on its net tangible assets as at 31 December 2015 is approximately S$4,711,000 (the "**NTA**").

(b) The value of the GWH shares for the purposes of settlement of the Outstanding Debt will be determined by an independent valuer to be jointly appointed by the REC and the Company (the "**Settlement Value**").

(c) The Company shall settle the Outstanding Debt at a value to be agreed between the Company and the REC and that is not less than the **Settlement Value**.

(d) The Outstanding Debt the Company owes to the REC will be offset by the Settlement Value, and the remaining amount owed (if any) (the "**Remainder**") will be held as a separate loan from the REC to the Company secured by a charge over the Company's shares in Asiapac Recycling Pte Ltd ("**APR**"), with other material terms to be agreed. Assuming the Settlement Value is the NTA of GWH as at 31 December 2015, the Remainder will amount to S$829,525.55. If the Settlement Value is greater than the Outstanding Debt, the REC shall pay the

Company the amount by which the Settlement Value exceeds the Outstanding Debt.

3. DIVESTMENT OF SUBSIDIARIES

3.1. Pursuant to the Transfer, the following companies will cease to be subsidiaries of the Company:

3.1.1. Green World Holdings Ltd and its subsidiaries, which are as follows:

(a) Everglory Cooling Systems Pte Ltd and its subsidiaries, which are as follows:
(i) Greenworld Metals Pte Ltd
(ii) Everglory Radiators (Shenyang) Co Ltd

(b) Suzhou Western Metal Co Ltd and its subsidiary, which is as follows:
(i) Suzhou Jestern Metal Co Ltd

(c) Western Copper Co Ltd and its subsidiary, which is as follows:
(i) Shenzhen Jestern Technology Co Ltd

(d) B&F Envirotech (Shenyang) Co Ltd.

4. EFFECT OF TERMINATION OF ASCT SCHEME ON THE COMPANY

4.1. The termination of the ASCT Scheme and a completed settlement of the Scheme Debts will have a positive effect on the financial position of the Company. Other than savings on finance costs and expenses related to maintaining the Scheme, the exercising of the charge over the Company's loss-making and cash-flow negative subsidiaries is expected to improve the cash flow position of the Company.

4.2. The REC has agreed in principle to extend APR, the Company's wholly-owned subsidiary engaged in copper trading business, a further loan as working capital (the "**New Loan**") if the Company and APR so request. The amount of the New Loan will depend on the Settlement Value and other material terms to be agreed. This additional working capital, if it is obtained, will help to increase the revenue of the Company and compensate for the loss of revenue in the divested subsidiaries.

4.3. The Company is also in advance discussions with various parties who are interested in investing in the Company. By removing the cash-flow negative assets along with the remaining Scheme Debts, the Company will be more attractive to the potential investors, on whom the Company is dependent in its effort to recapitalise.

5. GENERAL

5.1. The Company will continue to keep the SGX-ST, shareholders and the investing public updated on any material developments on a timely basis.

5.2. Shareholders and the public are advised to continue to exercise caution before making any decision in respect of their dealings in the Company's shares. 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
17 January 2016