



ADVANCE SCT LIMITED
(Company Registration Number: 200404283C)

CLARIFICATION ON ANNUAL REPORT

The Board of Directors (the “**Board**”) of Advance SCT Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) refers to its annual report for the financial year ended 31 December 2013 (“**AR2013**”) despatched to the Shareholders on 15 April 2014, and would like to provide the following updates. Unless otherwise defined, all capitalised terms and references used herein shall bear the same meaning ascribed to them in the AR2013.

On page 17 of AR2013, the section relating to the Audit Committee has been erroneously stated as “Audit Committee (Principle 11 of the Code)”, and should be stated as “Audit Committee (Principle 12 of the Code)” instead.

On page 18 of AR2013, the section relating to the Internal Controls has been erroneously stated as “Internal Controls (Principle 12 of the Code)”, and should be stated as “Risk Management and Internal Controls (Principle 11 of the Code)” instead.

1. RISK MANAGEMENT AND INTERNAL CONTROLS

The Board has received written assurance from the Chief Executive Officer and the Group Financial Controller that:

- (a) the financial records have been properly maintained and the financial statements give a true and fair view of the Company’s operations and finances; and
- (b) the Company’s risk management and internal control systems are adequate and effective.

The AC, together with the Board, has reviewed the effectiveness of the Company’s system of internal controls put in place to address the key financial, operational, compliance and information technology risks affecting the operations, and the risk management systems, and is satisfied that the overall systems of controls are adequate to meet the needs of the Group in its current environment. The Board also receives, at regular intervals, updates from the Board committees on the key business risks, the material controls to manage these risks, and the internal audit reports on the operational effectiveness of the material controls.

Based on the reports by external auditors and reviews performed by management, the Board, with the concurrence of the AC, are of the opinion that the internal controls of the Company, including financial, operational, compliance and information technology controls, and risk management systems, are adequate and effective.

2. REMUNERATION MATTERS

The Company has five key executives for FY2013. In aggregate, the total remuneration paid to them in FY2013 was S\$446,187.

There are no employees who are immediate family members of the Directors and the CEO whose remuneration exceeds \$50,000 in FY2013.

The exact remuneration of the Directors and key executives (who are not Directors) is not disclosed in the AR2013 as the Company does not believe it to be in its interest to disclose these details, having regard to the highly competitive human resource environment, the confidential nature of remuneration matters and so as not to hamper the Company's efforts to retain and nurture its talent pool.

BY ORDER OF THE BOARD
ADVANCE SCT LIMITED

Simon Eng
Executive Chairman
23 April 2014