ADVANCE SCT LIMITED
(Company Registration Number: 200404283C)

QUARTERLY UPDATE PURSUANT TO RULE 1313(2) OF SGX LISTING MANUAL

On 4 March 2015, the Company was placed on the SGX Watch-List pursuant to rule 1311 of the Listing Manual.

In accordance with Rule 1313(2) of the SGX Listing Manual, the Board of Directors of the Company wishes to provide the following update for the first quarter ended 31 March 2017 ("1Q2017").

Unless otherwise defined in this announcement, capitalised terms have the meanings ascribed to it in the announcement dated 26 April 2017.

Update on Financial Performance and Position

The Group was significantly restructured in 2016. Post-restructuring, it has deployed available resources to continuing the trading business under the Group's operating subsidiary, Asiapac Recycling Pte Ltd ("APR"). Revenue recovered from only S$1.4 million in the first quarter of 2016 ("1Q2016") to S$19.1 million in the last quarter ("4Q2016").

For the three months ended 31 March 2017 ("1Q2017"), the Group's turnover has increased slightly to S$21.2 million compared to the quarter before (S$19.1 million in 4Q2016) due to higher metal prices, though trading volume has remained unchanged. Gross margin has improved as well, from S$136,000 in 4Q2016 to S$352,000 in 1Q2017. In this quarter, the Group has managed to achieve a net profit of S$125,000.

Please refer to our results announcement for the financial period ended 31 March 2017 released on 26 April 2017 for full details.

Material Development and Future Directions

Trading volume has reached a steady state in 4Q2016 based on current resources. This has been sustained in 1Q2017 and is expected to continue throughout this financial year. Gross margin has remained thin given limited working capital. Going forward, the Group will focus on improving gross margin, so as to sustain profitability throughout this financial year, which ends on 31 December 2017.

At the same time, the Company is in discussion with relevant parties to acquire a profitable business in the electronic waste industry to supplement its current operations ("Proposed Acquisition"). To this end, as announced on 11 January 2017, the Company has requested for the trading suspension to continue for six months from the date of announcement, within which it would submit a Resumption Proposal to the SGX with the view to resuming trading of its securities. On 3 March 2017, the Company submitted to the SGX the Resumption Proposal and an application for extension of time of 12 months from 4 March 2017 to comply with Rule 1315 of the Listing Manual, so as to allow the beneficial effects of the Resumption Proposal to be seen ("Extension Letter") and consequently the Company to be removed from the Watch-List. To date, the Company has not received a response from the SGX. The Company expects the Proposed Acquisition to significantly improve its business prospect and profitability.

The Company has proposed a Scheme of Arrangement ("Scheme") to manage its creditors. The Scheme has yet to be sanctioned by the High Court because of certain objections by one creditor. The Company has since started negotiating with the said creditor for a settlement. The process is ongoing. Once a settlement is reached and the Scheme sanctioned, the Group will have an improved balance sheet for the current reporting period. The court hearing to sanction the proposed Scheme has been postponed from 8 May 2017 to 27 June 2017.

The Company will release an announcement on the outcome of the Extension Letter in due course and other developments on the Proposed Acquisition and Scheme in due course as and when there are material developments.

BY ORDER OF THE BOARD
ADVANCE SCT LIMITED

Simon Eng
Chief Executive Officer
26 April 2017