ADVANCE SCT LIMITED
(Company Registration Number: 200404283C)

I. PROPOSED CONSOLIDATION OF EVERY TWO HUNDRED (200) EXISTING ORDINARY SHARES IN THE CAPITAL OF THE COMPANY HELD BY THE SHAREHOLDERS OF THE COMPANY (THE "SHAREHOLDERS") AS AT THE SHARE CONSOLIDATION BOOKS CLOSURE DATE INTO ONE (1) ORDINARY SHARE IN THE CAPITAL OF THE COMPANY (THE "CONSOLIDATED SHARES"), FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE "PROPOSED SHARE CONSOLIDATION")

II. PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 68,899,657 NEW CONSOLIDATED SHARES FOLLOWING THE COMPLETION OF THE PROPOSED SHARE CONSOLIDATION (THE "RIGHTS SHARES") AT AN ISSUE PRICE OF S$0.20 FOR EACH RIGHTS SHARE, AND UP TO 68,899,657 FREE DETACHABLE WARRANTS (THE "WARRANTS"), EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR ONE (1) NEW CONSOLIDATED SHARE (THE "WARRANT SHARE") AT AN EXERCISE PRICE OF S$0.30 FOR EACH WARRANT SHARE, ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY ONE (1) CONSOLIDATED SHARE HELD BY THE SHAREHOLDERS AS AT THE RIGHTS BOOKS CLOSURE DATE, AND ONE (1) WARRANT FOR EVERY ONE (1) RIGHTS SHARE SUBSCRIBED, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED (THE "RIGHTS CUM WARRANTS ISSUE")

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1. INTRODUCTION

1.1 The Board of Directors (the "**Board**") of Advance SCT Limited (the "**Company**") refers to the announcement dated 30 December 2014 (the "**Prior Announcement**") in relation to the Proposed Share Consolidation and the Rights Cum Warrants Issue. Unless otherwise stated or unless the context otherwise requires, each capitalized term used and not defined herein shall have the same meanings given to them in the Prior Announcement.

1.2 Further to the Prior Announcement, the Company wishes to announce that as at the date of the Prior Announcement, the managerial staff of the Company and its subsidiaries holds 50,786,000 share options which were awarded under the Advance SCT Employee Share Option Scheme. Out of these 50,786,000 share options, 22,500,000 share options were awarded on 11 April 2014 and have a vesting period of one year. As such, only 28,286,000 share options (the "**Outstanding Employee Share Options**") out of the 50,786,000 share options, which were awarded under the Advance SCT Employee Share Option Scheme as at the date of the Prior Announcement, may be exercised prior to the Share Consolidation Books Closure Date and the Rights Books Closure Date.

2. PROPOSED SHARE CONSOLIDATION

2.1 The Company wishes to provide an update on the number of Consolidated Shares following the completion of the Share Consolidation. As at the date of the Prior Announcement and this announcement, the existing issued and paid up share capital of the Company consists of 13,751,645,408 ordinary shares (the "**Existing Share Capital**").

2.2 The actual number of issued Consolidated Shares post completion of the Proposed Share Consolidation will depend on the actual number of ordinary shares issued as at the Share

Consolidation Books Closure Date, which is not determinable with certainty as at the date of this announcement due to the Outstanding Employee Share Options.

2.3 On the assumption that there will be no new ordinary shares issued by the Company up to the Share Consolidation Books Closure Date, following the completion of the Proposed Share Consolidation, the Company will have a share capital of S$199,781,725.78 divided into 68,758,227 Consolidated Shares (fractional entitlements to be disregarded) and 141,430 consolidated Outstanding Employee Share Options.

2.4 On the assumption that all 28,286,000 Outstanding Employee Share Options are exercised on or before the Share Consolidation Books Closure Date, following the completion of the Proposed Share Consolidation, the Company will have a share capital of S$200,734,315.78 divided into 68,899,657 Consolidated Shares (fractional entitlements to be disregarded).

3. NUMBER OF RIGHTS SHARES AND WARRANTS

3.1 The Company wishes to provide an update on the size of the Rights cum Warrants Issue. In the event that either (i) all the Outstanding Employee Share Options are exercised on or before the Share Consolidation Books Closure Date; or (ii) all the consolidated Outstanding Employee Share Options are exercised on or before the Rights Books Closure Date, the issued share capital of the Company after the completion of the Proposed Share Consolidation will increase to 68,899,657 Consolidated Shares.

3.2 Accordingly, pursuant to the Rights cum Warrants Issue, the maximum number of new Consolidated Shares to be issued will increase from 68,758,227 new Consolidated Shares to 68,899,657 new Consolidated Shares (the "**Rights Shares**") and the maximum number of free detachable warrants to be issued pursuant to the Rights cum Warrants Issue will increase from 68,758,227 warrants to 68,899,657 warrants (the "**Warrants**").

3.3 For illustrative purposes, based on the Existing Share Capital, and assuming that:

(a) the Proposed Share Consolidation has been completed;

(b) none of the consolidated Outstanding Employee Share Options have been exercised on or before the Rights Books Closure Date; and

(c) only Fort Canning (Asia) Pte Ltd and Belle Forte Ltd subscribe for their *pro-rata* entitlement of 6,745,182 and 6,373,887 Rights Shares respectively pursuant to the Subscription Undertakings,

(collectively referred to as the "**Minimum Subscription Scenario**"), the Company will issue 13,119,069 new Consolidated Shares pursuant to the Rights cum Warrants Issue, and the share capital of the Company will comprise 81,877,296 Consolidated Shares.

3.4 For illustrative purposes, based on the Existing Share Capital, and assuming that:

(a) the Proposed Share Consolidation has been completed;

(b) all of the consolidated Outstanding Employee Share Options have been exercised on or before the Rights Books Closure Date; and

(c) all Entitled Shareholders subscribe in full for their *pro-rata* Rights Shares with Warrants entitlements and subsequently exercise all their Warrants,

(collectively referred to as the "**Maximum Subscription Scenario**"), the Company will issue 137,799,314 new Consolidated Shares pursuant to the Rights cum Warrants Issue, and the share capital of the Company will comprise 206,698,971 Consolidated Shares.

3.5 In the event of the Minimum Subscription Scenario, the Rights cum Warrants Issue will raise approximately S$6.56 million and the net proceeds of the Rights cum Warrants Issue, after

deducting estimated expenses of approximately S$0.18 million, will amount to approximately S$6.38 million. In the event of the Maximum Subscription Scenario, the Rights cum Warrants Issue will raise approximately S$68.90 million and the net proceeds of the Rights cum Warrants Issue, after deducting estimated expenses of approximately S$0.18 million, will amount to approximately S$68.72 million.

3.6 Save as disclosed in this announcement, all other terms of the Rights cum Warrants Issue announced by the Company in the Prior Announcement remain unchanged.

4. FURTHER ANNOUNCEMENTS

The Company will continue to keep Shareholders updated and release announcements relating to the Proposed Share Consolidation and the Rights cum Warrants Issue (including any material developments and progress made) as may be appropriate from time to time.

By Order of the Board
Advance SCT Limited

Song Tang Yih
Executive Director and President
16 January 2015