ADVANCE SCT LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200404283C)

BINDING HEADS OF AGREEMENT IN RESPECT OF PROPOSED COLLABORATION WITH BT CONSULTING & MANAGEMENT PTE. LTD. – RELEASE OF ESCROW

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1. INTRODUCTION

The board of directors (the "**Directors**" or the "**Board**") of Advance SCT Limited (the "**Company**" and together with its subsidiaries, the "**Group**") refers to the announcement dated 27 June 2016 (the "**Announcement**") in relation to the binding heads of agreement dated 23 June 2016 (the "**HoA**") entered into with BT Consulting & Management Pte. Ltd. ("**BTCM**"), in relation to various possible and potential corporate actions and transactions between the Company and BTCM or its nominee(s) (the "**Investor**"), as set out in detail below (the "**Proposed Collaboration**").

Capitalised terms not defined herein shall have the meanings ascribed to them in the Announcement.

2. NON-FULFILMENT OF CONDITION PRECEDENT

As announced in the Announcement, one of the conditions precedent for closing of the subscription of new Shares and the Convertible Securities as well as the utilization of the proceeds arising from such subscription is the finalisation and signing of the Definitive Agreements before the expiry of the Exclusivity Period.

The Board wishes to announce that the Exclusivity Period has lapsed and accordingly, this condition precedent cannot be fulfilled. The Company is in talks with the Investor for the waiver of this condition precedent.

3. RELEASE OF ESCROW ITEM

Under the terms of the HoA, as announced in the Announcement, the Investor had placed on escrow a cash amount of S$3 million (the "**Escrow Item**"). The Company has on 27 October 2016 received the escrow release notification from the Investor pursuant to the escrow agreement dated 27 June 2016 (the "**Escrow Agreement**") entered into between the Company, the Investor and Morgan Lewis Stamford LLC as the escrow agent, as the Definitive Agreements have not been entered into in connection with the HoA by the expiry of the Exclusivity Period, and accordingly, the Escrow Item shall be released (less any costs and expenses to be deducted under the terms of the Escrow Agreement).

4. FURTHER ANNOUNCEMENTS

The Company will make appropriate update announcements on the Proposed Collaboration at the relevant times.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Collaboration, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

6. TRADING CAUTION

Shareholders and potential investors of the Company are advised to read this announcement and any further announcements by the Company carefully. There is no certainty or assurance as at the date of this announcement that the Fund Raising or Proposed Collaboration will be completed. Shareholders of the Company are advised to refrain from taking any action in respect of their securities in the Company which may be prejudicial to their interests, and to exercise caution when dealing in the securities of the Company. In the event of any doubt, shareholders of the Company should consult their stockbrokers, bank managers, solicitors, accountants or other professional advisers.

BY ORDER OF THE BOARD
ADVANCE SCT LIMITED

Simon Eng
Chief Executive Officer
1 November 2016