



ADVANCE SCT LIMITED
(Company Registration Number: 200404283C)

DEBT RESTRUCTURING – SIGNING OF VARIOUS AGREEMENTS

The Board of Directors (the “**Board**”) of Advance SCT Limited (the “**Company**”) is pleased to announce that the Company has entered into definitive agreements with two major creditors as part of an effort to restructure and subsequently capitalise a principal portion of the Company’s total debt.

1. QSCM Debt Assignment Agreement

The Company has been informed by Qingyuan Shengli Copper Materials Co., Ltd. (“**QSCM**”), the party with which the Company is in litigation arising from the termination of a proposed partnership in China (“**Partnership**”) and the Objecting Creditor in the proposed Scheme of Arrangement as previously announced, that QSCM had on 7 July 2017 entered into a debt assignment agreement to assign the entire debt owing to them of RMB41,417,000 (“**QSCM Debt**”) to Mr. Zhang Baoan (“**ZBA**”), an independent third party and a Chinese national with substantial assets in Singapore (“**Debt Assignment Agreement**”).

ZBA has confirmed the Debt Assignment Agreement and separately pledged to support the Company’s proposed debt capitalization exercise.

2. Withdrawal of all suits and countersuits related to the Partnership

Concurrently, the Company had on 7 July 2017 signed an agreement with QSCM, ZBA, CNCM Capital Pte. Ltd. (“**CNCM**”), Advance SCT (Qingyuan) Co., Ltd. and Mr. Simon Eng to release all parties in the agreement from any further claims against one another other than the QSCM Debt mentioned above. All related suits and countersuits shall be withdrawn.

*Mr. Simon Eng is the sole shareholder of CNCM and had a claim against QSCM as the result of a Share Borrowing Agreement.

3. Saffron Debt restructuring supplemental agreement

As announced on 17 March 2016 on the Termination of the Old Scheme, the Company’s remaining eligible creditor, Saffron Elite Ltd. (“**Saffron**”), had entered into a loan agreement for the remainder amount S\$1,240,525 due from the Company to Saffron. The Company has been in negotiations with Saffron and on 1 July 2017, the Company entered into a supplemental agreement to restructure the Saffron Debt. In the supplemental agreement, Saffron has agreed to grant the Company a two-year moratorium on the payment on the principal and thereafter, following the two (2) year moratorium, a three-year debt repayment plan.

Under the three-year debt repayment plan, the Company will pay 30% of the Saffron Debt per year in the first two years, and the remaining 40% in the third year. The rate of interest on the Saffron Debt will remain unchanged at 6% per annum on the outstanding sum.

The above actions are part of the Company's plans to reduce the debt burden of the Company and making the Company solvent again. Further announcements will be made in connection with the progress of the Company as and when there are material developments.

Shareholders and potential investors are advised to exercise caution when trading in the shares of the Company. 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
9 July 2017