



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 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 2016 ("1Q2016").

Unless otherwise defined in this announcement, capitalised terms have the meanings ascribed to it in the announcement dated 12 May 2016.

Update on Financial Performance and Position

Group turnover decreased by 88.9% to S\$1.4 million for the three months ended 31 March 2016 ("1Q2016") compared to S\$12.9 million for the same period ended 31 March 2015 ("1Q2015"). The Group had undergone a major restructuring in 1Q2016, resulting in a significantly downsized organisation with a lower debt level. Revenue in 1Q2016 was generated by the copper products trading business under Asiapac Recycling Pte Ltd.

Gross margin was higher in 1Q2016 due to the slight increase of copper price.

Please refer to our results announcement for the financial period ended 31 March 2016 released on 12 May 2016 for full details.

Material Development and Future Directions

The Group has become much leaner after the debt restructuring and termination of the Scheme of Arrangement in January 2016. It remains engaged in the business of trading of copper products, the success of which depends largely on copper price stability and overcoming the key challenge of inadequate working capital. To reach profitability, the Group has to urgently raise cash to boost the volume of trade and increase revenue.

On 17 March 2016, the Company announced that the above Scheme of Arrangement has been terminated with effect from 21 January 2016.

On 30 March 2016, the Company announced the Company's application to enter into a new scheme of arrangement under Section 210 of the Companies Act (Cap 50).

The copper radiator business involves a new technology. It has been successfully tested and several orders have been fulfilled. While the market is promising, more time and effort are needed to market the product and gain brand acceptance.

Furtherance to the creditors' meetings (the "Meetings") held on 29 April 2016, as announced on 29 April 2016, the resolution approving a new scheme of arrangement under Section 210 of the Companies Act (Cap. 50) was passed by the creditors attending the Meetings, with the requisite statutory majority in relation to both numbers and value.

BY ORDER OF THE BOARD
ADVANCE SCT LIMITED

Simon Eng
Chief Executive Officer
13 May 2016