



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

PROPOSED CHANGE OF AUDITORS – PROPOSED APPOINTMENT OF FOO KON TAN LLP

The Board of Directors (the “**Board**”) of Advance SCT Limited (the “**Company**”) wishes to announce that the Company proposes to change the current auditors of the Company, Moore Stephens LLP (“**MS**”) to Foo Kon Tan LLP (“**FKT**”) (the “**Proposed Change of Auditors**”).

The current auditors of the Company, MS, were re-appointed at the last annual general meeting (“**AGM**”) of the Company held on 6 April 2018 to hold office until the conclusion of the next AGM of the Company. MS were appointed as auditors of the Company since the financial year ended 31 December 2010. The financial year ending 31 December 2018 (“**FY2018**”) would be the eighth (8th) year that MS holds the office as auditors of the Company.

As part of the ongoing efforts of the Company to enhance its corporate governance as well as to manage its overall business costs and expenses while the Company is in the midst of evaluating growth initiatives and implementing new investment parameters, the Board is of the view that it would be appropriate and timely to effect a change of the auditors of the Company. In addition, the Board believes that the Proposed Change of Auditors will enable the Company to benefit from fresh perspectives and views of another professional audit firm and thereby enhance the value of the audit.

On 31 July 2018, MS informed the Company, inter alia, that it had applied to the Accounting and Corporate Regulatory Authority (“**ACRA**”) to seek ACRA’s consent to resign as auditors of the Company. On 10 August 2018, MS received a letter from ACRA consenting to the resignation of MS as auditors of the Company. On 13 August 2018, MS provided the Company with their notice of resignation (“**Written Statement**”) stating, among others, the reasons for its resignation as auditors of the Company. A copy of the Written Statement is attached to this announcement.

In accordance with Section 205AB(5) of the Companies Act, Cap. 50 of Singapore (the “**Companies Act**”), the resignation of MS as auditors of the Company took effect on 13 August 2018. FKT had, on 6 August 2018, given their written consent to act as auditors of the Company and had, on 27 August 2018, confirmed that it has not withdrawn its consent to act as auditors of the Company, subject to the approval of shareholders of the Company (“**Shareholders**”) at an extraordinary general meeting to be convened for the Proposed Change of Auditors (“**EGM**”).

Pursuant to Rule 712(3) of the Listing Manual of the SGX-ST (the “**Listing Manual**”) and Section 205AF of the Companies Act, the appointment of FKT as auditors of the Company in place of MS must be specifically approved by Shareholders in a general meeting. The appointment of FKT as auditors of the Company will therefore take effect upon approval of the same by Shareholders at the EGM and, if appointed, FKT will hold office until the conclusion of the next AGM of the Company.

The Board would like to take this opportunity to express its gratitude to MS for the past services rendered by MS.

In accordance with the requirements of Rule 1203(5) of the Listing Manual:

- (a) MS has confirmed to FKT that it is not aware of any professional or other reasons why FKT should not accept the appointment as auditors of the Company;
- (b) The Company confirms that there were no disagreements with MS on accounting treatments within the last 12 months up to the date of this announcement;
- (c) The Company confirms that it is not aware of any circumstances connected with the Proposed Change of Auditors that should be brought to the attention of Shareholders which has not been disclosed in this announcement;
- (d) The specific reasons for the Proposed Change of Auditors have been disclosed above. The Proposed Change of Auditors is due to the resignation of MS as auditors of the Company; and is neither due to MS declining to stand for re-appointment as auditors of the Company nor due to the dismissal of MS as auditors of the Company; and
- (e) The Company confirms that it complies with Rule 712 and Rule 715 of the Listing Manual in relation to the appointment of FKT.

A circular to Shareholders containing, among others, further details on the Proposed Change of Auditors to FKT, together with the notice of EGM, will be despatched to Shareholders in due course.

BY ORDER OF THE BOARD

Teh Wing Kwan
Executive Chairman and Chief Executive Officer

27 August 2018