



AdvanceTC Limited

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Ms. Ingrid Wei

13th Nov 2019

Market Surveillance Analyst

Response to NSX Periodic Disclosure Query dated 11th Nov 2019

Dear Ms Ingrid ,

With regards to the recent NSX query, kindly find the Company responses as per below accordingly for your reference :-

1. Given the auditor has been unable to obtain sufficient evidence to support claims of successful and timely commercialization of a new product range or that the related entity has the ability to provide ongoing support until such time arises, please provide an explanation as to why the directors and the management team believe otherwise.

The directors and management team has the confirmed support from the majority shareholders to provide continued funding as it was a group consensus that due to a last minute upgrade to the specification and design of the device, which had to be implemented to meet the request of the buyer, was carried out for the feature improvement of the device and which in turn will produce more sales. And the company is also please to inform that the devices is now currently in production at its appointed factory and will ship its first 500 units to its buyer by early December 2019, in time to meet the festivity sales. Upon the 1st shipment done, the company shall continue its 2nd production of 500 units accordingly and shall ramp up as the company accepts more orders from its interested buyers.

2. Please confirm the amount of the revenue that has been generated from 1 July to 31 October 2019 through sales of the Company's Xplore X7 Android Satellite Smartphone, noting as referred to in point F above, that the Company will have recurring revenues from the month of June/July 2019 onwards.

As explained, due to the reason above mentioned, the sales and revenues had now been rescheduled to start from December 2019 onwards. The company will arrange an official handover ceremony of the order to the buyer upon the arrival of the devices in KL.

AdvanceTC is a premier technology company specializing in the design and development of mobile telecommunication and computing devices. AdvanceTC is listed on NSX Australia (NSXA: A88). More information on the company can be found at www.advancetc.com

3. Please provide the documentation supporting the Company's analysis and judgement of its going concern status mentioned in point G above. This documentation will not be released to the market.

As explained, the company is already in production and will organize a handover ceremony to its buyer the 1st 500 units by early December 2019, to be followed by an official announcement on it thereafter. The company shall start its 2nd batch production following this.

4. Please provide a list of the short-term liabilities due before 30 June 2020 in the following format.

The Company has discussed its production delays of the Xplore X7 with its major creditors and they have all agreed to wait until the company has received the funds from the formal sale. There is no pressure to settle the current liabilities. Other current liabilities or debts arising can be settled from cash on hand and contributions from supporting shareholders as required.

5. What steps has and will the Company take to obtain an unqualified audit report for future financial periods?

The company will move aggressively in its production and sales of its Xplore X7 which will contribute to the revenue the company requires to further strengthen its financial standing.

Loi Cheng Pheng
Chairman/CEO
AdvanceTC Ltd

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