



ADVANCER GLOBAL LIMITED

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NEWS RELEASE

ADVANCER GLOBAL POSTS S\$2.7 MILLION NET PROFIT FOR FY2016

- *Record revenue of S\$50.9 million for FY2016, an increase of 13.7%, boosted by strategic acquisitions to expand the Group's scope of services in the Facilities Management Services division comprising of Building Management and Security Services*
- *Recommended final dividend of 0.43 Singapore cent per share, translating to total dividends of 0.78 Singapore cent per share for FY2016, a dividend payout ratio of 50%*
- *Harnessing growth through its integrated solutions and service platforms to offer a holistic suite of services for a diverse base of customers*
- *As at end December 2016, the Group has service contracts amounting to approximately S\$3.6 million monthly from Facility Management Businesses*

Singapore, 24 February 2017 - Advancer Global Limited (前进集团有限公司) (the "Company") together with its subsidiaries ("Advancer Global" or the "Group"), an established and integrated workforce solutions and services provider, today announced that it has achieved record revenue of S\$50.9 million for the financial year ended 31 December 2016 ("FY2016"), an increase of 13.7% from S\$44.8 million in FY2015. The higher revenue was attributed to (i) the acquisition of new subsidiaries to broaden the service offerings of its Facilities Management Services division, (ii) an increase in the aggregate service fees from on-going projects under Facilities Management Services division, specifically in the Security Services segment, and (iii) higher aggregate service fees from new contracts secured under Facilities Management Services division, mainly for cleaning and stewarding projects, and security services projects. The increase was undermined by a decrease in revenue contribution from the Employment Services division as a result of a decline in the number of foreign domestic workers that the Group had placed out to households in Singapore.

In tandem with revenue growth, gross profit rose by 14.1% to S\$13.6 million in FY2016 from S\$11.9 million in FY2015. Overall gross profit margin remained relatively stable at 26.6% in FY2016, as compared to 26.5% in FY2015.

Business segment review

FYE 31 Dec (S\$'000)	Revenue		YoY Change	Gross Profit		YoY Change
	FY2016	FY2015		FY2016	FY2015	
Employment Services	12,627	12,818	-1.5%	5,523	5,819	-5.1%
Building Management	24,753	20,090	23.2%	6,042	4,253	42.1%
Security Services	13,529	11,886	13.8%	1,990	1,804	10.3%
Total	50,909	44,794	13.7%	13,555	11,876	14.1%

Source: Company's results announcement

Net profit attributable to the owners of the Company was S\$2.7 million for FY2016, 38.8% lower than the S\$4.4 million recorded in FY2015. This was mainly due to higher administrative expenses as the Group expanded its business operations through acquisition of new subsidiaries after its listing, increase in staff costs and capital expenditures, as well as professional fees as a listed company.

Commenting on the results, CEO & Executive Director of Advancer Global, Mr. Gary Chin said, "We are heartened by our encouraging operational results. The Group's listing on the Singapore Exchange allows us to quicken our pace in strengthening our business model that encompasses the independent and yet complementary Employment Services and Facilities Management Services platforms for our wide customer base. The Group has embarked on a few strategic acquisitions to expand our scope of services within our Facilities Management Services division comprising Building Management and Security Services, to offer a holistic suite of solutions and services to our existing and new customers."

The range of service offerings under Building Management has expanded from cleaning and stewarding and pest control services, to property management and specialised pest control, following the acquisitions of Newman & Goh Property Consultants Pte Ltd, Newman & Associates Pte Ltd, Premier Eco-Care Pte. Ltd., Prestige Enviro-Care Pte. Ltd., and Green Management Pte. Ltd, in the second half of FY2016.

Similarly, through the acquisition of Ashtree International Pte. Ltd in HY2016, the Group expanded its existing offerings under Security Services from the provision of manpower for security solutions and services to residential, commercial and industrial properties, and security escort services, to include the provision of security advisory and training.

Net asset value of the Group increased from S\$4.9 million as at 31 December 2015 to S\$15.7 million as at 31 December 2016. Based on the issue and paid-up share capital of 173.2 million shares, net asset value per share increased from 2.84 Singapore cents as at 31 December 2015 to 9.08 Singapore cents as at end December 2016.

The Board is recommending a final dividend of S\$0.0043 per share for the second half of FY2016, subject to the approval of Shareholders at the forthcoming annual general meeting. In addition to the interim dividend of S\$0.0035 per share declared and paid in September 2016, the Group would fulfil its commitment to pay out 50% of its net profit for FY2016 as dividends. Advancer Global has a dividend policy of paying at least 50% of its net profit attributable to owners of the Company as dividends for financial years ending 31 December 2016, 2017 and 2018.

Business Prospects

The increase of dual-income households and manpower shortages in Singapore is expected to drive demand for foreign domestic workers in providing caregiving support to families with elderly and children which will be beneficial for the Group's Employment Services division.

The newly acquired subsidiaries, grouped under Facilities Management Services division, are expected to drive organic growth within the independent business units as they are integrated onto a common platform to provide a holistic suite of solutions and services to existing and new customers. The cross-selling of products and services within the realm of services under Facilities Management Services division will also complement the Group's Employment Services division.

"Amid intense competition in this fragmented service industry, Advancer Global believes that the provision of greater convenience and ease of mind for customers, both corporations and households alike, are of utmost importance. While the Group continues to expand prudently, we will continue to integrate and innovate, as well as infuse technology into the spectrum of labour intensive services to enhance operational efficiencies to bring greater effectiveness and benefits to our customers," added Mr. Gary Chin.

As at 31 December 2016, the Group has service contracts amounting to approximately S\$3.6 million monthly from Facility Management Businesses.

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This press release is to be read in conjunction with the Company's unaudited full year results announcement posted on the SGX website on 24 February 2017.

About ADVANCER GLOBAL LIMITED

(Stock Codes – SGX: 43Q | Bloomberg: ADGL SP | Reuters: ADVN.SI)

Advancer Global Limited (前进集团有限公司) and together with its subsidiaries (“**Advancer Global**” or the “**Group**”), is an established and integrated workforce solutions and services provider in Singapore. The Group operates through two main business divisions: (i) Employment Services, and (ii) Facilities Management Services, to provide a holistic suite of solutions and services to its diverse base of customers.

The Employment Services division offers integrated and comprehensive employment solutions and services including sourcing, recruitment, training and deployment of foreign domestic workers to households and foreign workers to corporations. The Group offers employment solutions and services through its well-recognised brands, “Nation” and “Enreach”.

The Facilities Management Services division encompasses two sub-divisions: (i) Building Management Services, and (ii) Security Services, which the Group through its well-established subsidiaries, provides property management, security services, pest control, and cleaning and stewarding services to a diverse base of customers including residential and commercial properties, hospitals and hotels.

The Group continues to enhance efficiency and bring effectiveness to its business platforms by infusing technology to enable greater convenience and satisfaction for its customers.

For more information, please visit the company’s website at www.advancer.sg

Issued for and on behalf of **ADVANCER GLOBAL LIMITED** *by:*



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*This press release has been prepared by Advancer Global Limited (the “**Company**”) and its contents have been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “**Sponsor**”), for compliance with the relevant rules of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”). The Sponsor has not independently verified the contents of this press release.*

This press release has not been examined or approved by the SGX-ST and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

The contact person for the Sponsor is Mr. Ong Hwee Li (Telephone: +65 6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542. SAC Capital Private Limited is the parent company of SAC Advisors Private Limited.