



ADVANCER GLOBAL LIMITED

(Company Registration No. 201602681W)
(Incorporated in the Republic of Singapore)

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- (1) PROPOSED PLACEMENT OF 12,500,000 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY; AND
 - (2) PROPOSED PLACEMENT OF 6,250,000 FREE, DETACHABLE, NON-LISTED AND NON-TRANSFERABLE WARRANTS, ON THE BASIS OF 1 WARRANT FOR EVERY 2 PLACEMENT SHARES, WITH EACH WARRANT CARRYING THE RIGHT TO SUBSCRIBE FOR 1 NEW ORDINARY SHARE IN THE CAPITAL OF THE COMPANY
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1. INTRODUCTION

- 1.1 The Board of Directors (the "**Board**" or "**Directors**") of Advancer Global Limited (the "**Company**" and together with its subsidiaries, the "**Group**") is pleased to announce that the Company has on 2 May 2017, entered into a placement agreement (the "**Placement Agreement**") with CIMB Securities (Singapore) Pte. Ltd. (the "**Placement Agent**") pursuant to which the Company has engaged the Placement Agent to introduce potential investors to the Company to raise funds, based on the terms and conditions set out in the Placement Agreement.
- 1.2 Pursuant to the foregoing, the Placement Agent has introduced MES Group Holdings Pte. Ltd. (the "**Investor**") who shall subscribe for:
 - (a) an aggregate of 12,500,000 new ordinary shares in the capital of the Company ("**Placement Shares**") at an issue price of S\$0.40 per Placement Share (the "**Issue Price**") (the "**Proposed Placement**"); and
 - (b) 6,250,000 free, detachable, non-listed and non-transferable warrants (the "**Warrants**" and each the "**Warrant**"), each carrying the right to subscribe for 1 new ordinary share in the capital of the Company (the "**Warrant Share**") at an exercise price of S\$0.45 per Warrant Share (the "**Exercise Price**"), on the basis of 1 Warrant for every 2 Placement Shares (the "**Warrants Issue**")(collectively the "**Proposed Placement and Warrants Issue**").
- 1.3 The Placement Shares, the Warrants and the Warrant Shares, when allotted and issued, shall be free from all claims, charges, liens and other encumbrances and the Placement Shares and Warrant Shares shall rank *pari passu* in all respects with the existing issued shares in the capital of the Company (the "**Shares**") at the time of issue except for the FY2016 Final Dividend¹ and any dividends, rights, distributions, allotments or other entitlements, the Record Date² of which falls before the date of issuance of the Placement Shares or the relevant date of issuance of the Warrant Shares (as applicable).

¹ Final tax exempt (one-tier) dividend of 0.43 Singapore cent per Share, approved by shareholders of the Company at the Company's annual general meeting held on 28 April 2017 (the "**AGM**").

² In relation to any dividend, right, distribution, allotment or other entitlement, the date at the close of business on which Shareholders must be registered in order to participate in such dividend, right, distribution, allotment or other entitlement.

- 1.4 The Placement Agent has offered the Placement Shares, the Warrants and the Warrant Shares only to an accredited investor, being the Investor, pursuant to Section 275 of the Securities and Futures Act (Cap. 289). As such, the Company will not be issuing and lodging any prospectus or offer information statement in connection with the Proposed Placement and Warrants Issue with the Singapore Exchange Securities Trading Limited (“SGX-ST”), acting as agent on behalf of the Monetary Authority of Singapore.
- 1.5 The Proposed Placement and Warrants Issue is non-underwritten and a placement commission of 3% of the Issue Price per Placement Share will be paid to the Placement Agent pursuant to the Placement Agreement.

2. INFORMATION ON THE INVESTOR

- 2.1 The Investor is a company incorporated in Singapore. The Investor, through its affiliated group of companies, has in-depth knowledge of operating commercial and residential properties and also engages in the business of providing integrated property and logistical solutions to small and medium-sized businesses, multi-national corporations and construction companies located in Singapore.
- 2.2 Other than a business relationship between the Group and the Investor (Premier Eco-Care Pte. Ltd., a wholly-owned subsidiary of the Company, currently provides fumigation services to an affiliate company of the Investor), there are no other relationships between the Investor and the Company, its Directors or substantial shareholders. In addition, as at the date of this announcement, the Investor does not hold any Shares in the capital of the Company.
- 2.3 As at the date of this announcement, the Investor, together with its Directors and substantial shareholders are not persons falling within the categories of persons listed in Rule 812(1) of the Listing Manual of the SGX-ST (Section B: Rules of Catalist).
- 2.4 The Investor’s subscription of the Placement Shares and Warrant Shares is for strategic operational and financial investment purposes only.

3. TERMS OF THE PROPOSED PLACEMENT AND WARRANTS ISSUE

3.1 Summary of principal terms of the Placement Agreement

The following is a summary of the principal terms of the Proposed Placement and Warrants Issue.

Issue size : The Investor shall subscribe for:

- (a) 12,500,000 Placement Shares; and
- (b) 6,250,000 free, detachable, non-listed and non-transferable Warrants, each carrying the right to subscribe for one 1 Warrant Share.

Assuming that all the Warrants are exercised, there will be 6,250,000 Warrant Shares issued.

Issue Price : The Issue Price is S\$0.40 per Placement Share

The Issue Price of each Placement Share represents a premium of approximately 21.65% to the volume weighted average price of S\$0.3288 per ordinary share of the Company based on trades done on the Catalist board of SGX-ST on 2 May 2017 (being the full market day on which the Placement Agreement was signed).

Warrants Exercise Price : The Exercise Price is S\$0.45 per Warrant Share.

The Exercise Price of each Warrant Share represents a premium of approximately 36.86% to the volume weighted average price of S\$0.3288 per ordinary share of the Company based on trades done on the Catalist board of the SGX-ST on 2 May 2017 (being the full market day on which the Placement Agreement was signed).

Warrants Exercise Period : The Warrants are exercisable from the date of their issue until 5.00 p.m. in Singapore of the market day immediately preceding the 3rd anniversary of the date of the issue of the Warrants, unless such date is a date on which the Register of Members is closed or is not a market day, in which event the Warrants shall expire on the date prior to the closure of the Register of Members or the immediately preceding market day, as the case may be (the “**Exercise Period**”).

The Warrants may only be exercised in whole and not in part (i.e. all at once, and not multiple series of smaller lots).

Gross Proceeds : The gross proceeds from the issue of the Placement Shares will be approximately S\$5.00 million and from the issue of the Warrant Shares (assuming all the Warrants are exercised) will be approximately S\$2.81 million.

Conditions Precedent : Completion of the Proposed Placement and Warrants Issue is conditional upon, *inter alia*

- (a) the receipt of the listing and quotation notice in respect of the Placement Shares and the Warrant Shares on Catalist being obtained from the SGX-ST and not having been revoked or amended and, where such approval is subject to conditions, such conditions being acceptable to the Placement Agent, and to the extent that any conditions for the listing and quotation of the Placement Shares and the Warrant Shares on the SGX-ST are required to be fulfilled on or before completion of the Proposed Placement and Warrants Issue (the “**Completion Date**”), they are so fulfilled;
- (b) the allotment, issue and subscription of the Placement Shares, Warrants and Warrant Shares not being prohibited by any statute, order, rule, regulation or directive promulgated or issued after by any legislative, executive or regulatory body or authority of Singapore (including without limitation, the SGX-ST, the Monetary Authority of Singapore and/or the Securities Industry Council) which is applicable to the Company or the Placement Agent;
- (c) the Company having the full authority for the allotment and issuance of the Placement Shares, the Warrants and the Warrant Shares and such authority being in full force and effect and not having been revoked, cancelled, terminated or varied on the Completion Date;
- (d) there not having occurred, in the opinion of the Placement Agent, any material adverse change, or any development likely to involve a prospective material adverse change, whether or not arising from transactions in the ordinary course of business, subsequent to the date of the Placement Agreement which, in the opinion of the Placement Agent, is or is likely to be materially adverse in the context of the Proposed Placement and/or the Warrants Issue or is likely to prejudice materially the success of the Proposed Placement and/or the Warrants Issue or dealings in the Placement Shares and/or Warrant Shares in the secondary market; and

- (e) the representations, warranties and undertakings of the Company in the Placement Agreement remaining true and correct in all respects as at the Completion Date and the Company having performed all of its obligations hereunder to be performed on or before the Completion Date.

The Company will apply to the SGX-ST, through its continuing sponsor, for the admission and listing and quotation of the Placement Shares and Warrant Shares on the Catalist Board of the SGX-ST. The Company will make the necessary announcements once the listing and quotation notice has been obtained.

3.2 Summary of principal terms of the Deed Poll

The following is a summary of the principal terms and conditions of the Warrants, under the deed poll executed by the Company on 2 May 2017 constituting the Warrants (the “**Deed Poll**”).

Constitution of the Warrants : The Warrants are constituted by the Deed Poll, and are subject to the terms and conditions of the Warrants as set out in the Deed Poll (“**Warrant Conditions**”).

Form and Subscription Rights of the Warrants : The Warrants will be issued in registered form.
Each Warrant will carry the right to subscribe for 1 Warrant Share at the Exercise Price during the Exercise Period.

The Warrants may only be exercised in whole and not in part. If the Warrants are not exercised upon expiry of the Exercise Period, all the Warrants shall lapse and cease to be valid for any purpose

Listing and Transferability of the Warrants : The Warrants will not be listed and are non-transferable.

Adjustments : The Exercise Price and/or the number of Warrants to be held by the Investor will, after their issue, be subject to adjustments under certain circumstances prescribed by the Warrant Conditions. Such circumstances include, without limitation, consolidation or subdivision of Shares, capitalisation issues, rights issues and certain capital distributions.

Any such adjustments shall (unless otherwise provided under the Catalist Rules from time to time) be announced by the Company to the SGX-ST via an announcement on SGXNET.

Winding Up : If an effective resolution is passed during the Exercise Period for a members' voluntary winding up of the Company, for the purpose of reconstruction or amalgamation pursuant to a scheme of arrangement on terms previously consented to in writing by the Investor, the terms of such scheme of arrangement shall be binding on the Investor.

Where notice is given by the Company to its shareholders to convene a meeting for the members' voluntary winding-up of the Company during the Exercise Period, the Investor may elect to be treated as if he had on such date been the holder of the Warrant Shares to which he would have become entitled pursuant to such exercise.

Subject to the foregoing, if the Company is wound up for any other reasons, all Warrants which have not been exercised at the date of the passing of such resolution shall lapse and the Warrants shall cease to be valid for any purpose.

Notice of Expiry : The Company shall, not later than 1 month before the expiry of the Exercise Period (the “**Expiry Date**”), announce the expiry of the Exercise Period on SGXNET. In addition, the Company shall, not later than 1 month before the Expiry Date, notify the Investor in writing of the Expiry Date in accordance with the Warrant Conditions.

Alterations to Terms : Unless made in accordance with the Deed Poll, any alteration to the terms of the Warrants to the advantage of the Investor after the issue thereof shall be subject to the approval of shareholders of the Company in a general meeting.

Governing Law : The Warrants and the Deed Poll are governed by the Laws of the Republic of Singapore.

- 3.3 The Proposed Placement and Warrants Issue would not result in any transfer of controlling interest in the Company.

Authority to issue Shares

- 3.4 The Placement Shares and the Warrant Shares will be allotted and issued pursuant to the general mandate to allot and issue new Shares in the capital of the Company granted to the Directors by shareholders of the Company (“**Shareholders**”) at the Company’s AGM held on 28 April 2017 (the “**General Mandate**”).

- 3.5 The General Mandate authorises the Directors of the Company to allot and issue new Shares³ not exceeding 100.0% of the total number of issued Shares as at the date of the AGM (excluding treasury shares), of which the aggregate number of new Shares to be issued other than on a *pro-rata* basis to existing Shareholders shall not exceed 50.0% of the total number of issued Shares as at the date of the AGM (excluding treasury shares).

- 3.6 As at the date of the AGM, the Company had:

- (a) 173,172,589 issued Shares;
- (b) not allotted or issued any new Shares pursuant to the General Mandate;
- (c) 1,156,500 share options granted pursuant to the Advancer Global Employee Share Option Scheme on 20 April 2017. Apart from these share options, the Company does not have any other issued or outstanding Instruments, including share options or share awards;⁴ and
- (d) no treasury shares.

- 3.7 As such, under the General Mandate, the maximum number of new Shares to be issued other than on a *pro-rata* basis is 85,429,794 Shares.

- 3.8 Pursuant to the allotment and issue of the Placement Shares, and assuming that all the Warrants are exercised, 18,750,000 new Shares will be issued and the Company’s issued and paid-up share capital will increase from 173,172,589 Shares as at the date of this announcement, to 191,922,589 Shares. The aggregate number of Placement Shares and Warrant Shares (assuming that all the Warrants are exercised) represents approximately 10.83% of the existing issued and paid-up share capital of the Company as at the date of this announcement, and

³ Including new Shares to be issued pursuant to offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares.

⁴ Including options or awards pursuant to the Advancer Global Employee Share Option Scheme (“**Advancer Global ESOS**”) and the Advancer Global Performance Share Plan (“**Advancer Global PSP**”) respectively, both of which were adopted by the Company on 6 June 2012. Please refer to the Company’s Offer Document dated 30 June 2016 for further details on the Advancer Global ESOS and the Advancer Global PSP.

approximately 9.77% of the enlarged issued and paid-up share capital of the Company after completion of the Proposed Placement and Warrants Issue (and assuming that all the Warrants are exercised).

4. USE OF PROCEEDS AND RATIONALE OF THE PROPOSED PLACEMENT AND WARRANTS ISSUE

- 4.1 The Proposed Placement and Warrants Issue is undertaken in order to enable the Company to augment its cash flow and improve working capital for expansion purposes.
- 4.2 After discussions with the Investor, the Directors are of the view that the Proposed Placement and Warrants Issue represents an opportunity to introduce the Investor as a strategic investor in the Company. The Investor, through its subsidiaries and associated companies, has an in-depth knowledge of providing integrated property and logistics solutions to companies in the building and construction sector and other industries. This will allow for potential synergies and opportunities for the Group in the future, particularly in the sector of providing fumigation services.
- 4.3 The Proposed Placement will raise gross proceeds of S\$5.00 million and net proceeds of approximately S\$4.83 million ("**Share Placement Net Proceeds**") (after deducting estimated expenses of approximately S\$0.17 million in connection with the Proposed Placement).
- 4.4 The Company intends to utilise the entire Net Proceeds in the following manner:
 - (a) 75.0% for expansion of business operations; and
 - (b) 25.0% for general corporate and working capital purposes the group, mainly to support administrative and operation expenses.
- 4.5 Assuming all the Warrants are fully exercised, the proceeds raised from the exercise of Warrants are approximately S\$2.81 million ("**Warrant Exercise Proceeds**").
- 4.6 The Company intends to utilise the Warrant Exercise Proceeds in the following manner:
 - (a) 75.0% for expansion of business operations; and
 - (b) 25.0% for general corporate and working capital purposes of the Group, mainly to support administrative and operational expenses.
- 4.7 Pending the deployment of the Share Placement Net Proceeds and Warrant Exercise Proceeds (collectively, the "**Net Proceeds**"), the Company intends to place the Share Placement Net Proceeds and Warrant Exercise Proceeds from the Proposed Placement and Warrants Issue with banks and/or financial institutions or use the Net Proceeds for any other purposes on a short-term basis, as the Directors may deem fit.
- 4.8 The Company will make periodic announcements on the utilisation of the Share Placement Net Proceeds and Warrant Exercise Proceeds as and when the funds are materially disbursed and whether such use is in accordance with the stated use and in accordance with the percentage allocated. The Company will also provide a status report on the use of the Share Placement Net Proceeds and Warrant Exercise Proceeds in the Company's half and full-year financial statements issued under Rule 705 and its annual report. Where the Share Placement Net Proceeds and Warrant Exercise Proceeds are used for working capital purposes, the Company will provide a breakdown with specific details on how the Share Placement Net Proceeds and Warrant Exercise Proceeds have been applied in the announcements and the status report. Where there is any material deviation from the stated use of the Share Placement Net Proceeds and Warrant Exercise Proceeds, the Company will announce the reasons for such deviation.

5. FINANCIAL EFFECTS OF THE PROPOSED PLACEMENT AND WARRANTS ISSUE

- 5.1 The pro forma financial effects of the Proposed Placement and Warrants Issue are presented for **illustrative purposes only** and are not intended to be indicative or reflect the actual financial situation of the Group after completion of the Proposed Placement and Warrants Issue.
- 5.2 The pro forma financial effects of the Proposed Placement and Warrants Issue on the Group, as set out below, are computed based on the audited consolidated financial statements of the Group for the financial year ended 31 December 2016 (“**FY2016**”), and the following assumptions:
- for purposes of computing the effect of the Proposed Placement and Warrants Issue on the net asset value (“**NAV**”) per Share of the Group, it is assumed that the Proposed Placement and Warrants Issue had been completed on 31 December 2016;
 - for purposes of computing the effect of the Proposed Placement and Warrants Issue on the earnings per Share (“**EPS**”) of the Group, it is assumed that the Proposed Placement and Warrants Issue had been completed on 1 January 2016; and
 - the expenses relating to the Proposed Placement and the Warrants Issue, including the exercising of the Warrants into Warrant Shares are negligible.

	Before the Proposed Placement and Warrants Issue ⁽¹⁾	After allotment and issue of Placement Shares, before the exercise of any Warrant ⁽²⁾	After allotment and issue of Placement Shares and all Warrant Shares ⁽³⁾
Effect of the Proposed Placement and Warrants Issue on			
NAV(S\$)	15,720,000	20,720,000	23,532,500
Profit after tax (S\$)	2,675,000	2,675,000	2,675,000
Number of issued and paid-up Shares	173,172,589	185,672,589	191,922,589
NAV per Share (cents) ⁽⁴⁾	9.08	11.16	12.26
EPS (cents) ⁽⁵⁾	1.54	1.44	1.39

Notes:

- Based on a total of 173,172,589 Shares in issue.
- Based on a total of 185,672,589 Shares in issue (including all the Placement Shares, but before any of the Warrant Shares have been issued).
- Based on a total of 191,922,589 Shares in issue (including all the Placement Shares and all the Warrant Shares).
- NAV is computed based on net assets attributable to owners of the Company.
- EPS is computed based on profit after tax attributable to owners of the Company.

6. CONFIRMATION BY DIRECTORS

6.1 The Directors are of the opinion that:

- (a) after taking into consideration the Group's present banking facilities, the working capital available to the Group is sufficient to meet its present requirements. Notwithstanding the above, the Company has decided to undertake the Proposed Placement and Warrants Issue for the reasons set out in section 4 above; and
- (b) after taking into consideration the present bank facilities available to the Group and the Net Proceeds, the working capital available to the Group is sufficient to meet its present requirements.

7. INTERESTS OF DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

7.1 None of the Directors or substantial shareholders of the Company has any interest, direct or indirect, in the Proposed Placement and Warrants Issue, other than through their shareholdings in the Company and the business relationship mentioned in Section 2.2 above.

8. DOCUMENTS AVAILABLE FOR INSPECTION

8.1 The Placement Agreement and Deed Poll are available for inspection at the Company's registered office at 135 Jurong Gateway Road, #05-317, Singapore 600135 for 3 months commencing from the date of this announcement.

9. CHANGE IN INTERESTS OF THE DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND THE INVESTOR

9.1 Details of the change in interests of the Directors, substantial shareholders of the Company and the Investor before and after the Proposed Placement and Warrants Issue is set out in Appendix A of this Announcement.

10. RESPONSIBILITY STATEMENT

10.1 The Directors collectively and individually accept full responsibility for the accuracy of the information given in this announcement and confirm, after making all reasonable enquiries, that to the best of their knowledge and belief, this announcement constitutes full and true disclosure of all material facts about the Proposed Placement and Warrants issue, the Company and its subsidiaries, and the Directors are not aware of any facts the omission of which would make any statement in this announcement misleading. Where information in this announcement has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this announcement in its proper form and context.

11. ANNOUNCEMENTS

11.1 Further announcements on the Proposed Placement and Warrants Issue will be made in due course as and when appropriate.

**By Order of the Board
Advancer Global Limited**

Chin Mei Yang
Chief Executive Officer and Executive Director
2 May 2017

*This announcement 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 announcement.*

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

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.

APPENDIX A

CHANGE IN INTERESTS OF THE DIRECTORS, SUBSTANTIAL SHAREHOLDERS AND THE INVESTOR

The table below sets out the interests of the Directors, substantial shareholders of the Company (the “**Substantial Shareholders**”) and the Investor in the shares of the Company:

- (1) as at the date of this announcement;
- (2) after allotment and issue of the Placement Shares, before exercise of the Warrants; and
- (3) after allotment and issue of the Placement Shares and the Warrant Shares.

	As at the date of this announcement ⁽¹⁾				After allotment and issue of the Placement Shares ⁽²⁾				After allotment and issue of the Placement Shares and the Warrant Shares ⁽³⁾			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<u>Directors</u>												
Desmond Chin ⁽⁴⁾	37,138,249	21.45	-	-	37,138,249	20.00	-	-	37,138,249	19.35	-	-
Gary Chin ⁽⁴⁾	30,572,337	17.65	-	-	30,572,337	16.47	-	-	30,572,337	15.93	-	-
Ong Eng Tiang	19,753,682	11.41	-	-	19,753,682	10.64	-	-	19,753,682	10.29	-	-
Loy Soo Chew	-	-	-	-	-	-	-	-	-	-	-	-
Yau Thiam Hwa	-	-	-	-	-	-	-	-	-	-	-	-
Vincent Leow	-	-	-	-	-	-	-	-	-	-	-	-

	As at the date of this announcement ⁽¹⁾				After allotment and issue of the Placement Shares ⁽²⁾				After allotment and issue of the Placement Shares and the Warrant Shares ⁽³⁾			
	Direct Interest		Deemed Interest		Direct Interest		Deemed Interest		Direct Interest		Deemed Interest	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
<u>Substantial Shareholders</u>												
Francis Chin ⁽⁴⁾	37,254,518	21.51	-	-	37,254,518	20.06	-	-	37,254,518	19.41	-	-
<u>Investor</u>												
MES Group Holdings Pte. Ltd.	-	-	-	-	12,500,000	6.73	-	-	18,750,000 ⁽⁵⁾	9.77	-	-

Note:

- (1) Based on a total of 173,172,589 Shares in issue.
- (2) Based on a total of 185,672,589 Shares in issue (including all the Placement Shares, but before any of the Warrant Shares have been issued).
- (3) Based on a total of 191,922,589 Shares in issue (including all the Placement Shares and all the Warrant Shares).
- (4) Mr. Desmond Chin, Mr. Gary Chin and Mr. Francis Chin are brothers.
- (5) Assumes that there are no changes to the Investor's holdings of the Placement Shares before and until the exercise of the Warrants.