



(Company Registration No.: 20160281W)
(Incorporated in the Republic of Singapore)

PRESS RELEASE

ADVANCER GLOBAL ACHIEVED REVENUE OF S\$34.4 MILLION FOR HY2019

- Revenue grew 4.8% to S\$34.4 million in HY2019 as compared to HY2018 due to an increase in revenue across all Group's business segments.
- Profit attributable to owners of the Company decreased by 69.4% to S\$490,000 for HY2019 as compared to HY2018.

	HY2019 S\$'000	HY2018 S\$'000	YoY Change %
Revenue	34,353	32,770	4.8%
Gross profit	8,658	8,942	(3.2%)
Net profit attributable to owners of the Company	490	1,602	(69.4%)

Notes: HY denotes six months ended 30 June.

Singapore, 14 August 2019 — **Advancer Global Limited (前进集团有限公司)** (the "Company") together with its subsidiaries ("Advancer Global" or the "Group"), announced that it has registered an increase in revenue of 4.8% to S\$34.4 million and a net profit attributable to owners of the Company of S\$490,000 for the six months ended 30 June 2019 ("HY2019"), a decrease of 69.4% from S\$1.6 million in HY2018. This is largely due to (a) higher cost of sales and administrative expenses, (b) absent of accrual of bonus for employees in HY2018, (c) decrease in income from government grant, and (d) loss from associate vis-à-vis a profit in HY2018.

The Security Services division registered revenue growth in HY2019 mainly due to the increase in service income from new security projects while for the Employment Services division, there was an increase in the number of foreign domestic workers that the Group had placed out to households in Singapore. An increase in service income from new and adhoc stewarding service contracts and integrated facilities management contracts also contributed to an increase to the Building Management Services Division.

Gross profit fell by 3.2% to S\$8.7 million in HY2019 from S\$8.9 million in HY2018. This was contributed by the decrease in gross profit margin in all of the Group's business segments.

Other operating income decreased by S\$0.3 million or 27.6% from S\$0.9 million in HY2018 to S\$0.6 million in HY2019, mainly due to the decrease in the amount from government credit schemes such as Wage Credit Scheme as a result of over-accrual in FY2018 and revisions made to the schemes. The decrease was offset by the increase in interest income from fixed deposits placed with the banks.

Net profit decreased by S\$1.2 million or 70% from S\$1.7 million in HY2018 to S\$0.5 million in HY2019. This was largely contributed by the, (i) increased in administrative expenses such as the increased number of administrative staff, (ii) accrual of bonus for administrative staff and key management personnel throughout the Group's business segments, (iii) increased loss allowance for trade receivables arising from the Group's pest control businesses, (iv) increased in depreciation expenses of the Group's property, plant and equipment and amortisation expenses of intangible assets, and (v) increased in expenses relating to short-term leases and depreciation of right-of-use assets recorded as a result of the adoption of SFRS(I) 16 Leases. Conversely, the decrease in net profit was partially offset by the absence of bad debts written-off from the Group's cleaning business in HY2018 and loss on fair value

re-measurement of contingent consideration payable to the acquisition of the Premier Group and share issue expenses pursuant to FY2017 Scrip Dividend in HY 2018.

There will be no interim dividend for the first half of FY2019 as the Company would like to reserve cash for the Group's operational and growth purposes.

Business Prospects

Chief Executive Officer and Executive Director of Advancer Global, Mr Gary Chin said, "We expect the challenging business environment to continue. Notwithstanding that, we remain confident in our business model barring any unforeseen circumstances. Aside from our core business, we expect our recent inception of our joint-venture company with Fullcast Holdings Co., Ltd to leverage on the Group's core strengths in the traditional manpower business. We are also leveraging on our technological innovations and IT solutions such as our Smart Toilet Facilities as well as Smart Security Systems and Solutions to enhance and enlarge our market share in the facilities segment. Currently, we have provided customised and comprehensive facilities management solutions which exceed customers' expectations."

"Meanwhile, we continue to utilise the strength of our subsidiaries to cross-sell products and services among our business units to drive growth," he added.

With the limited available manpower and ageing working population, the Smart Toilet System aims to tackle these issues by adopting a series of sensors with the use of mobile applications and cloud-based solutions to monitor toilet usage and demands. This system, supported by data analytics, effectively improves manpower productivity and cleaning efficiency, enhances user experience of the toilets.

The Smart Security System integrates technology such as intelligent surveillance cameras, live monitoring via the centralised command centre, automated access controls via mobile application, biometric systems and backend AI based platforms to help customers improve security management standards and efficiency.

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This press release is to be read in conjunction with the Company's unaudited six-months results announcement posted on the SGX website on 14 August 2019.

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) (the "**Company**") 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 brand, "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 brings 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 <https://advancer.sg>.

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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**”). This announcement has not been examined or approved by the Singapore Exchange Securities Trading Limited (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. David Yeong (Telephone: +65 6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.