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PRESS RELEASE

ADVANCER GLOBAL ACHIEVES NET PROFIT OF S\$5.0 MILLION FOR FY2020

- For the financial year ended 31 December 2020 (“FY2020”), on the back of a S\$12.9 million gross profit, the Group recorded a net profit of S\$5.0 million, a substantial increase compared to S\$0.4 million recorded for the financial year ended 31 December 2019 (“FY2019”).
- Recommending final dividend of 0.79 Singapore cents per share, translating to total dividend of 1.38 Singapore cents per share or approximately 76.6% of the net profit attributable to owners of the Company for FY2020.
- Technology and innovation allow the Group to adapt to the “new normal” and make progress to help the business stay resilient.

FYE 31 Dec	FY2020 (S\$'000)	FY2019 (S\$'000)	YoY Change %
Revenue	56,391	70,944	(20.5)
Gross profit	12,873	17,061	(24.5)
Gross profit margin (in %)	22.8%	24.0%	(1.2)
Net profit attributable to owners of the Company	4,525	471	860.7

Notes: FY denotes 12 months ended 31 December.

Singapore, 1 March 2021 — **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 achieved a net profit of S\$5.0 million for the financial year ended 31 December 2020 (“FY2020”), a 1,041.2% increase from S\$0.4 million in FY2019. This was largely due to higher other operating income and the relatively constant administrative expenses.

Commenting on the financial performance of FY2020, CEO & Executive Director of Advancer Global, Mr. Gary Chin, said, “FY2020 has been a challenging year as the global economic downturn caused by the COVID-19 pandemic affected our business activities on all fronts. The focus on technological innovation and digital transformation has made progress to help the business stay resilient. We managed to control operating costs amidst the pandemic and the relevant measures implemented by the government.

To ensure that the Group maintains its competitive edge, we continued on our expansion plans through acquisition of a property management company, completed on 2 February 2021 to enlarge our customers’ base and market share in estate management, and we will be sourcing for opportunities to realise our vision to be the service provider of choice in the Integrated Facilities Management (IFM) arena.”

The Group's revenue decreased by 20.5% from S\$70.9 million in FY2019 to S\$56.4 million in FY2020 mainly due to the decrease in revenue across all the business segments. Correspondingly, the Group's costs of sales decreased by 19.2% from S\$53.9 million in FY2019 to S\$43.5 million in FY2020.

Gross profit decreased by S\$4.2 million or 24.5%, from S\$17.1 million in FY2019 to S\$12.9 million in FY2020, which was mainly due to the decrease in gross profit from Employment Services and Building Management segments. Gross profit margin remained relatively constant at 24.0% in FY2019 and 22.8% in FY2020.

Gain from acquisition of SRE Global Pte. Ltd., dividend income from investment in quoted shares, as well as an increase in the amount from government grant and credit schemes such as Wage Credit Scheme, Jobs Support Scheme and rental rebate in response to the COVID-19 pandemic in FY2020 resulted in an increase in other operating income to S\$10.0 million in FY2020 from S\$1.4 million in FY2019.

Administrative expenses remained constant at S\$17.7 million in FY2020 and FY2019.

Net asset value of the Group increased from S\$44.2 million as at 31 December 2019 to S\$47.7 million as at 31 December 2020 mainly due to (a) the increase of other receivables, inventories, investment in quoted shares, cash and cash equivalents, investments in financial assets at fair value through profit or loss, and (b) the decrease of trade payables, lease liabilities, income tax payables, deferred tax liabilities and bank borrowings. The increase in net asset value were offset by decreases in trade receivables, right-of-use assets, goodwill on consolidation and investments in associates and increases in other payables, accrued operating expenses and contract liabilities.

The Board is recommending a final dividend of 0.79 Singapore cents per share for the second half of FY2020, subject to the approval of Shareholders at the forthcoming annual general meeting. Taking into consideration of the interim dividend of 0.59 Singapore cents per share declared and paid in September 2020, the full year dividend will stand at 1.38 Singapore cents per share for FY2020 which would constitute approximately 76.6% of Group's net profit after tax attributable to owners of the Company in FY2020.

Business Prospects

With the acceleration of online purchases due to movement restrictions and safety management measures, the Group will continue to leverage on technological innovations and digital transformation of our services to strengthen our competitive advantage, increase efficiency of operations and improve service quality with outcome-based.

Mr Gary Chin said, "The Group's resilience has sustained us through the critical period. Despite the uncertainties, the Group has been able to pivot our strategies and innovate with technology to improve service quality of our businesses. We will continue to invest in digital transformation and embrace opportunities to pivot our business for positive change in the 'new normal' landscape. We believe the Integrated Facilities Management (IFM) industry continues to hold much potential for growth and we remain committed to make our presence felt. This include

moving the Group towards a more robust business model and transforming Advancer into an aspirational brand that our customers want to be associated with, one that spells quality service, and one-stop integrated suite of products and solutions.”

~ End ~

This press release is to be read in conjunction with the Company’s unaudited full year financial results announcement posted on the SGX website on 1 March 2021.

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”.

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 fumigation, landscape, waste management, cleaning and stewarding services to a diverse base of customers including residential and commercial, industrial properties, hospitals, schools 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 www.advancer.sg.

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This press release has been reviewed by the Company’s sponsor, SAC Capital Private Limited (the “**Sponsor**”). This press release 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 press release, including the correctness of any of the statements or opinions made or reports contained in this press release.

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