



## ADVANCER GLOBAL LIMITED

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

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### ACQUISITION OF SUBSIDIARY COMPANIES

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The Board of Directors (the "**Board**") of Advancer Global Limited (the "**Company**", and together with its subsidiaries, the "**Group**") wishes to announce that the Company's wholly-owned subsidiary, Advancer Global Facility Pte Ltd (the "**Purchaser**") has on 25 October 2016 entered into a sale and purchase agreement ("**SPA**") with Messrs Neo Soon Hock, Mohd Hamzah Bin Bardan, Wong Lan Ying, Kwan Yoon Lee, Noh Bin Mohd, Emeliana Bte Katubi, Abdul Rahman Bin Abdul Gani, Poon Chui Lee and Mohamad Sukor Bin Ismail (collectively, the "**Vendors**") to acquire 100% of the total issued and paid-up share capital of each of the following companies:

- (i) Company Name : Premier Eco-Care Pte. Ltd. ("**Premier**")  
Issued and paid-up capital : S\$320,000 divided into 320,000 fully paid-up ordinary shares  
Principal Activities : Provision of pest control and fumigation services (not in connection with agriculture), landscape care and related maintenance services
  
- (ii) Company Name : Prestige Enviro-Care Pte. Ltd. ("**Prestige**"), a wholly-owned subsidiary of Premier  
Issued and paid-up capital : S\$200,000 divided into 200,000 fully paid-up ordinary shares  
Principal Activities : Provision of pest control and fumigation services (not in connection with agriculture), landscape care and related maintenance services
  
- (iii) Company Name : Green Management Pte. Ltd. ("**Green Management**")  
(Currently a dormant company)  
Issued and paid-up capital : S\$2 divided into 2 fully paid-up ordinary shares  
Principal Activities : Provision of pest control, fumigation and other ecological care services

collectively, the "**Target Companies**" and the proposed transaction, the "**Proposed Acquisition**".

## **Information on the Target Companies**

### ***Premier***

Established in 2008, Premier is a well-recognized pest control and fumigation company known for its reliability and service quality in meeting the needs of the general community and businesses of Singapore. It mainly offers a full range of services including pest control, fumigation, soil treatment for termite control, bird control, disinfection services, garden and lawn care as well as ecological-care products. Led by a veteran team, with a combined experience of over 60 years in pest control and fumigation, Premier is certified ISO 9001 and ISO 14001 for quality assurance. As a member of the National Pest Management Associates (“**NPMA**”) and the Singapore Pest Management Associates (“**SPMA**”), Premier has access to the latest pest control technology and application procedures. All its technicians are equipped with technical competence and professionalism under the comprehensive training programs provided by National Environmental Agency, NPMA and SPMA.

### ***Prestige***

Prestige, a wholly-owned subsidiary of Premier, was incorporated in 2008. With a rich experience in pest control and fumigation services, the founding members are dedicated to exceed the expectations of clients by offering outstanding customer services, increased flexibility, and greater value. The employees of Prestige are experienced and equipped with the relevant functional and technical expertise for the services offered. Prestige also offers other complementary services such as disinfection services as well as garden and lawn care.

### ***Green Management***

Green Management, incorporated in 2009, is currently a dormant company and has not commenced any business operations.

Premier, Prestige and Green Management are all accredited by the Agri-Food & Veterinary Authority of Singapore (“**AVA**”) as treatment providers to perform fumigation for solid wood packaging materials and other agricultural commodities under International Standards for Phytosanitary Measures (i.e. ISPM 15) of the International Plant Protection Convention (“**IPPC**”) Strategic Framework. As accredited treatment providers by the AVA, they are allowed to issue certificates to certify that the solid wood packaging materials or other agricultural commodities have been treated in accordance to the standard such as ISPM 15 and other treatment specifications imposed by the importing countries, such as requirements imposed by the Australian Quarantine & Inspection Service (“**AQIS**”) under the Australian Fumigation Accreditation Scheme (“**AFAS**”), for cargos bound for Australia.

## **Rationale for the Proposed Acquisition**

The Proposed Acquisition will provide the Group with the opportunity to grow its facilities management businesses as the Target Companies (other than Green Management which is currently dormant) have an established customer base and proven track record in the provision of pest control and fumigation services. Green Management holds a license which allows the Group to undertake services relating to pest controls, fumigation and other ecological care services.

Taking into consideration the reputation, track record and experience of the Target Companies (other than Green Management which is currently dormant) in the pest control sector, the Board is of the view that the Proposed Acquisition will boost the Group’s existing pest control services business which is part of the Group’s facilities management businesses and allow the Group to deepen its market penetration and expand its market share in Singapore. The Proposed Acquisition will enable the Group

to have a larger skilled workforce to drive the pest control business and provide a wider range of service offerings with more advanced treatment methods to a larger pool of customers. The Group will also be able to tap on the existing customer pool of the Target Companies to cross-sell its current services.

The Proposed Acquisition is in line with the Group's long term strategic objective to become a comprehensive one-stop shop provider of integrated facilities management services.

### **Purchase Consideration**

The aggregate consideration of the Proposed Acquisition will be satisfied via two tranches: (i) the initial consideration amounting to S\$3,000,000 ("**Initial Consideration**") (ii) a further consideration at an amount to be determined between the Vendors and the Purchaser as at 31 December 2017 ("**Further Consideration**").

The Initial Consideration was arrived after arm's length negotiation between the Purchaser and the Vendors on a willing buyer, willing seller basis, taking into consideration (1) the earnings and growth potential of the Target Companies; and (2) the value of net assets owned by the Target Companies. Pursuant to the terms of the SPA, the Target Companies committed to have a minimum aggregate net assets of S\$1,200,000 and a minimum cash and receivables of S\$1,150,000 as at the date of the SPA. Based on the management accounts of Premier, Prestige and Green Management, the Target Companies had an aggregate net assets of S\$1,229,000 and cash and receivables of S\$1,633,000 as at 30 September 2016. There are no material changes as at the date of the SPA.

The Purchaser will pay the Initial Consideration to the Vendors upon the transfer of the entire shares of the Target Companies from the Vendors to the Purchaser, which is expected to take place and complete by 1 November 2016. The Initial Consideration shall be satisfied by cash and funded via the proceeds raised from the initial public offering of the Company.

The Further Consideration is subject to further negotiations between the Vendors and the Purchaser as of 31 December 2017. As the amount of the Further Consideration has not been determined as at the date of this announcement, the Company will make further announcement via the SGXNet when the amount is finalised and ensure that Chapter 10 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**Catalist Rules**") is applied and complied with.

Other than the Further Consideration, there are no other material conditions attached to the Proposed Acquisition.

### **Relative Figures Under Chapter 10 of the Catalist Rules**

The relative figures for the Proposed Acquisition pursuant to Rule 1006 of the Catalist Rules, based on the Company's latest announced unaudited consolidated financial statements for the first six-month financial period ended 30 June 2016 ("**HY2016**"), are as follows:

	<b>Basis of Calculation</b>	<b>Relative Figures (%)</b>
(a)	The net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable <sup>(1)</sup>
(b)	The net profits attributable to the assets acquired <sup>(2)</sup> or disposed of, compared with the group's net profits	9.6% <sup>(3)</sup>
(c)	The aggregate value of the consideration given or received, compared with the Company's market capitalisation based on the total number of issued shares excluding treasury shares	4.6% <sup>(4)</sup>
(d)	The number of equity securities issued by the Company as consideration for an acquisition, compared with the number of equity securities previously in issue	Not applicable <sup>(1)</sup>
(e)	The aggregate volume or amount of proved and probable reserves to be disposed of, compared with the aggregate of the group's proved and probable reserves. This basis is applicable to a disposal of mineral, oil or gas assets by a mineral, oil and gas company, but not to an acquisition of such assets.	Not applicable <sup>(1)</sup>

*Notes:*

- (1) This basis is not applicable to the Proposed Acquisition.
- (2) Pursuant to Rule 1002(3)(b) of the Catalist Rules, "net profits" is defined as profits before income tax, minority interests, and extraordinary items.
- (3) The net profits of the Group for HY2016 amounted to approximately S\$2,082,000. The total net profits attributable to the Target Companies consisted of (i) net profits of Premier amounting to approximately S\$62,000 for the first six-month financial period ended 31 August 2016; (ii) net profits of Prestige amounting to approximately S\$138,000 for the first six-month financial period ended 31 August 2016; and (iii) net loss of Green Management amounting to S\$210 for the first six-month financial period ended 30 April 2016. Green Management is currently a dormant company and had not generated any income. The loss is due to the expenses for corporate secretarial services.
- (4) The consideration represents the amount of the Initial Consideration. The market capitalization of the Company is determined by multiplying the number of Company's issued shares, being 173,172,589 shares, by the volume weighted average price of such shares transacted on 24 October 2016 of S\$0.375 per share (being the last trading day for the Company's shares preceding the date of the SPA).

As the relative figures calculated under Rule 1006 (b) of the Catalist Rules exceeds 5% but does not exceed 75%, the Proposed Acquisition constitutes a disclosable transaction as defined under Chapter 10 of the Catalist Rules. Accordingly, the Company is not required to seek shareholders' approval for the Proposed Acquisition.

### **Financial Effects of the Proposed Acquisition**

The proforma financial effects of the Proposed Acquisition on the net tangible assets (“**NTA**”) per share and earnings per share (“**EPS**”) of the Group as set out below are for illustrative purposes only and do not reflect the actual financial performance or position of the Group after the Proposed Acquisition. The financial effects of the Proposed Acquisition set out below have been prepared based on the Group’s audited consolidated financial statements for the financial year ended 31 December 2015 (“**FY2015**”).

### **EPS**

The proforma financial effects of the Proposed Acquisition on the EPS of the Group for FY2015, assuming that the Proposed Acquisition had been effected at the beginning of FY2015, are summarized below:

<b>EPS</b>	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition</b>
Profits attributable to owners of the Company <sup>(1)</sup> (S\$'000)	4,369	3,844
Weighted average number of issued shares <sup>(2)</sup>	130,172,589	130,172,589
Basic and diluted EPS (cents)	3.36	2.95

Notes:

- (1) Represents net profits after tax and minority interests, and exclude the financial effects of the amortization of intangible assets which will be identified subsequent to the completion of the Proposed Acquisition.
- (2) Based on the number of ordinary shares before the initial public offering of the Company on 8 July 2016.

### **NTA per share**

The proforma financial effects of the Proposed Acquisition on the NTA per share of the Group for FY2015, assuming that the Proposed Acquisition had been effected as at 31 December 2015, are summarized below:

<b>NTA</b>	<b>Before the Proposed Acquisition</b>	<b>After the Proposed Acquisition</b>
Consolidated NTA <sup>(1)</sup> (S\$'000)	4,791	2,897
Number of issued shares <sup>(2)</sup>	130,172,589	130,172,589
Consolidated NTA per share (cents)	3.68	2.23

*Notes:*

- (1) Represents consolidated NTA excluding minority interests and intangible assets.
- (2) Based on the number of ordinary shares before the initial public offering of the Company on 8 July 2016.

**Other Financial Information**

Based on the audited full year financial statements for Premier and Prestige for the financial year ended 29 February 2016, the net loss attributable to Premier and Prestige were approximately S\$274,000 and S\$85,000 respectively. The unaudited net loss of Green Management for its financial year ended 31 October 2015 amounted to approximately S\$420. The net assets value of Premier and Prestige as at 29 February 2016 were approximately S\$979,000 and S\$135,000 respectively. Green Management is a dormant company with net liabilities of approximately S\$2,800 as at 31 October 2015. Green Management has not generated any income and the expenses incurred were related to corporate secretarial expenses. The net liabilities is due to the accumulated expenses incurred.

Based on the management accounts of Premier and Prestige for the financial period from 1 March 2016 to 30 September 2016, which have been reviewed by Company's external auditors in accordance with Singapore Standard on Review Engagements 2410, the net profits attributable to Premier and Prestige were approximately S\$128,000 and S\$174,000 respectively and the net assets value of Premier and Prestige as at 30 September 2016 were approximately S\$1,106,000 and S\$309,000 respectively.

**Details of service contracts of proposed director(s)**

No directors are proposed to be appointed to the Company pursuant to the Proposed Acquisition.

**Interests of Directors and Controlling Shareholders of the Company**

None of the directors, or controlling shareholders of the Company has any direct or indirect interest in the Proposed Acquisition, other than through their respective shareholdings in the Company.

**Documents for Inspection**

Copies of the SPA will be made available for inspection at the registered office of the Company at 135 Jurong Gateway Road, #05-317, Singapore 600135 during normal business hours for a period of 3 months from the date of this announcement.

**BY ORDER OF THE BOARD**

Chin Mei Yang  
Chief Executive Officer and Executive Director

25 October 2016

*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 Ms Tan Pei Woon (Telephone: 65-6532 3829) at 1 Robinson Road, #21-02 AIA Tower, Singapore 048542.*