



ADVANCER GLOBAL LIMITED

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

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- (I) **ACQUISITION OF 76% SHARES IN COUNTRY COUSINS PTE. LTD.**
(II) **STATUS OF USE OF NET SUBSCRIPTION PROCEEDS**
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1. Introduction

The Board of Directors (the “**Board**” or “**Directors**”) of Advancer Global Limited (the “**Company**” and together with its subsidiaries and associate companies, collectively the “**Group**”) wishes to announce that the Company’s wholly-owned subsidiary, Advancer Global Facility Pte. Ltd. (“**AGF**”) together with Fat Trees Pte. Ltd., a company incorporated in the Republic of Singapore (“**Fat Trees**”, collectively the “**Purchasers**”) have on 26 November 2018 entered into a sales and purchase agreement (the “**SPA**”) with Chua Si Sien Clarence (the “**Vendor**”), to acquire 100% of the total issued and paid-up share capital of Country Cousins Pte. Ltd. (the “**Target Company**”) for a cash consideration of S\$225,000 (the “**Consideration**”) (the “**Proposed Acquisition**”). The Purchasers will acquire the Target Company in the following proportions:

<u>Name</u>	<u>Shareholding Percentage (%)</u>	<u>Number of Shares</u>	<u>Paid-up Capital (S\$)</u>
AGF	76.0	7,600	7,600
Fat Trees ^(a)	24.0	2,400	2,400
	100.0	10,000	10,000

Note:

- (a) The issued and paid-up share capital of Fat Trees is held by an individual investor who is an independent and unrelated third party to the Company, its Directors and controlling shareholders or their respective associates.

Pursuant to the terms of the SPA, completion of the Proposed Acquisition shall take place on 2 January 2019 (the “**Completion Date**”).

2. Information on the Target Company

The Target Company is incorporated in the Republic of Singapore on 23 September 2014 and its principal activity is the provision of landscape planting, care and maintenance services such as garden installation and maintenance, grass cutting, tree felling and pruning in Singapore. The Target Company has an issued and fully paid-up share capital of S\$10,000 consisting of 10,000 ordinary shares, which are wholly-owned by the Vendor prior to the Proposed Acquisition. Based on the unaudited full year financial statements of the Target Company for the financial year ended 31 August 2018, the profit before tax attributable to the Target Company was approximately S\$105,000. The net tangible asset value of the Target Company as at 31 August 2018 was approximately S\$85,000. Pursuant to the SPA, the Vendor will ensure the minimum net tangible asset of the Target Company to be S\$80,000 on the Completion Date, including minimum cash at bank of S\$20,000.

3. Rationale for the Proposed Acquisition

The Proposed Acquisition is in line with the Group's plans to expand its landscaping business within its facilities management division, further strengthening of its service offerings by providing a holistic suite of facilities management solutions and services to its wide base of customers. The Board is of the view that the Proposed Acquisition would enable the Group accessibility to a skilled pool of labour and a larger clientele base, allowing it to expand its market share in the landscaping business in Singapore.

4. Consideration and Use of Proceeds

The Consideration was arrived after arm's length negotiation between the Purchasers and the Vendor on a willing buyer willing seller basis, taking into account, *inter alia*, the customer base and net assets of the Target Company, the value of its service contracts as at the date of the SPA and the Vendor endeavouring to ensure that the net profit after tax ("**PAT**") for the first financial year after the Completion Date to be at least S\$60,000 or a minimum monthly PAT of S\$5,000.

The Consideration shall be paid to the Vendor in accordance with the Purchasers' respective shareholding percentages, of which AGF shall pay S\$171,000 (the "**AGF's Consideration**") and Fat Trees shall pay S\$54,000. AGF's Consideration is funded from the net subscription proceeds arising from the subscription agreement entered into with Fullcast Holdings Co., Ltd ("**Net Subscription Proceeds**"). The Net Subscription Proceeds is in accordance with the use of proceeds as stated in the circular to shareholders dated 8 August 2018.

The status of utilisation of the Net Subscription Proceeds as at the date of this announcement is as follows:

Use of Proceeds	Amount allocated (S\$' million)	Amount utilised (S\$' million)	Balance (S\$' million)
Expansion of business operations	16.30	(0.37)	15.93
General corporate and working capital purpose of the Group, mainly to support administrative and operational expenses (Note (a))	5.44	(0.62)	4.82
	<u>21.74</u>	<u>(0.99)</u>	<u>20.75</u>

Note:

(a) Breakdown of the general and corporate working capital requirements:

	S\$'000
Professional and listing related expenses	105
Administrative expenses –staff cost	29
Administrative expenses- others	14
Purchase of inventory for a subsidiary	170
Repayment of loan incurred by a subsidiary	300
	<u>618</u>

The Company will make further announcements, as and when the balance of the Net Subscription Proceeds is materially disbursed.

5. **Relative Figures for the Proposed Acquisition**

As the relative figures computed under Rule 1006 are less than 5%, the Proposed Acquisition constitutes a “non-discloseable transaction” as defined in Chapter 10 of the Listing Manual.

6. **Financial Effects of the Proposed Acquisition**

The Proposed Acquisition is not expected to have any material impact on the net tangible assets per share or earnings per share of the Group for the current financial year ending 31 December 2018.

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

Save as disclosed in this announcement, none of the Directors, and controlling shareholders of the Company or their respective associates has any interest, director or indirect, in the Proposed Acquisition, other than through their respective interest (if any) in the Company.

By Order of the Board

Chin Mei Yang
Chief Executive Officer and Executive Director
26 November 2018

*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.

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