ADVANCER GLOBAL LIMITED

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

ACQUISITION OF 100% ISSUED AND PAID-UP SHARE CAPITAL OF PROPMAG MANAGEMENT SERVICES PTE LTD AND PROPMAG PROPERTY & FACILITY PTE. LTD.

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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, SRE Global Pte. Ltd. ("**SRE**"), a 82% indirectly owned subsidiary of the Company held through Advancer Global Facility Pte. Ltd. ("**AGF**"), had on 15 February 2022 entered into a sales and purchase agreement ("**SPA**") to acquire 100% of the total issued and paid-up share capital of Propmag Management Services Pte Ltd ("**PMS**") and Propmag Property & Facility Pte. Ltd. (**"PPF**") (collectively the "**Target Companies**") from Pang Kok Sing Terence ("**Terence**"), Tan Chin Hwee Adeline ("**Adeline**") and Pang Li Lian ("**Li Lian**") (collectively, the "**Vendors**") (the "**Acquisition**"). The Vendors currently hold shares in PMS and PPF in the following proportions ("**Share Proportions**"):

	PMS			**PPF**		
Name	**Shareholding Percentage (%)**	**Number of Shares**	**Paid-up Capital (S$)**	**Shareholding Percentage (%)**	**Number of Shares**	**Paid-up Capital (S$)**
Terence	51.0	10,200	10,200	51.0	5,100	5,100
Adeline	40.0	8,000	8,000	40.0	4,000	4,000
Li Lian	9.0	1,800	1,800	9.0	900	900
	100.0	20,000	20,000	100.0	10,000	10,000

Following the completion of the Acquisition on 15 February 2022, PMS and PPF will become wholly-owned subsidiaries of SRE and 82% indirectly owned subsidiaries of the Company.

2. Information on PMS and PPF

The information on the Target Companies represented in this paragraph was provided by the Target Companies and has been extracted and reproduced herein. In respect of such information, the Company has not independently verified the accuracy and correctness of the same and the Company's responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

PMS was incorporated in the Republic of Singapore on 4 August 2000 and its principal activity is the provision of property management services. PMS has an issued and fully paid-up share capital of S$20,000 consisting of 20,000 ordinary shares.

PPF was incorporated in the Republic of Singapore on 13 Jan 2009 and its principal activity is the provision of property management services. PPF has an issued and fully paid-up share capital of S$10,000 consisting of 10,000 ordinary shares.

Based on the unaudited financial statements of Target Companies for the financial year ended 31 December 2021 ("**FY2021**"), PMS and PPF recorded a net profit of S$152,403 and a net loss of S$21,481 respectively. The net asset of PMS and PPF as at 31 December 2020 was S$237,741 and S$138,814 respectively.

Based on the unaudited half year management accounts of Target Companies for the financial period ended 30 June 2021 ("**HY2021**"), the net profit before tax of PMS was S$136,580 and the loss before tax of PPF was S$328. The net asset of PMS and PPF as at 30 June 2021 was S$221,918 and S$159,967 respectively.

3. Information on the Vendors

The information on the Vendors represented in this paragraph was provided by the Vendors and has been extracted and reproduced herein. In respect of such information, the Company has not independently verified the accuracy and correctness of the same and the Company's responsibility is limited to the proper extraction and reproduction herein in the context that the information is being disclosed in this announcement.

The Vendors are directors of Target Companies and are independent and unrelated third parties to the Company, its Directors and controlling shareholders or their respective associates. Both Terence and Li Lian oversee day-to-day operation and administrative functions of PMS and PPF. Terence and Li Lian will be appointed as consultants of AGF post Completion of the Acquisition.

Terence had two years' working experience in a listed property development company where he took charge of defects and property management projects before he joined a multinational corporation in year 1994 as a property executive. He was promoted as a property manager thereafter and managed around 30 properties ranging from commercial, industrial, residential and mixed-use development. Terence incorporated PMS in year 2000 and involved in all aspects of property management and upgrading projects as well as PMS's day-to-day operations. He is an Accredited Strata Manager and currently represents PMS in Association of Strata Managers.

Li Lian joined PMS and PPF in year 2011 as director and general manager who oversee companies' day-to-day operations and human resource related matters. She is an accredited Strata Manager.

4. Rationale for the Acquisition

The Acquisition is in line with the Group's strategy to expand its range of services within its building management business division and aims to achieve synergies between Target Companies and the Group's current property valuation, property management and property agency services. The Board is of the view that the Acquisition would provide larger skilled workforce and expertise for the Group to tap on, as well as allow the Group to build on its customer base, thereby enable the Group to expand its market share and presence in Singapore.

5. Principal terms of the Acquisition

Consideration

The total consideration amounting to S$1,030,000 (the "**Consideration**"), which is fully satisfied in cash, was negotiated on an arm's length basis between SRE and Vendors, taking into account Target Companies' net assets, track records, reputation, customer base, order book and in-depth knowledge in management of real estate industry. No independent valuation was commissioned in respect of the Acquisition.

The Consideration will be funded by (1) SRE's internal resources and (2) advances of S$400,000 from the Company through the net proceeds ("**Net Subscription Proceeds**") from the Company's issue and allotment of 65,000,000 new ordinary shares on 31 August 2018, and is in accordance with the use of proceeds as stated in the Company's announcement dated 16 April 2021. The status of utilisation of the Net Subscription Proceeds subsequent to the completion of the Acquisition will be as follows:

	Amount allocated	Amount utilised	Balance
	S$ million	S$ million	S$ million
Expansion of business operations	12.30	(2.74)	9.56
General corporate and working capital purposes of the Group, mainly to support administrative and operational expenses (Note (a))	5.44	(4.25)	1.19
Investment in money market instruments and/or quoted securities	4.00	(1.65)	2.35
	21.74	(8.64)	13.1

Note:

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

	S$'000
Professional and listing related expenses	896
Administrative expenses – staff costs	507
Administrative expenses - others	77
Purchase of inventory for a subsidiary	170
Repayment of loan incurred by a subsidiary	300
Advances to subsidiaries for operational expenses	2,300
	4,250

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

Conditions Precedent in respect of the Acquisition

Completion of the Acquisition is conditional upon the following conditions ("**Conditions Precedent**") being satisfied or waived (as the case may be):

(a) all approvals ("**Approvals**") as may be required for or in connection with the execution, delivery or performance of the SPA and any other agreement, deed, undertaking or document which is ancillary or incidental to the SPA and/or which is for the purposes of effecting any of the transactions contemplated hereunder ("**Transaction Documents**") from all third parties and all relevant Government Authorities in any jurisdiction having been obtained and not withdrawn, revoked, suspended, cancelled or varied before Completion, and where any such Approvals are obtained subject to any conditions, such conditions being acceptable to the Vendors and SRE;

(b) each of the warranties being true, accurate and correct and not misleading in all material respects at the date of the SPA and at Completion;

(c) there being no breach by the Vendors of any of the covenants, undertakings and indemnities contained in the SPA;

(d) the board of Target Companies and, if applicable, the shareholders of Target Companies having approved the entry into the SPA; and

(e) the sale and purchase of the shares of Target Companies and the transactions contemplated under the SPA and the Transaction Documents not being prohibited by any Law or by any Government Authority of any Applicable Jurisdiction, and there being no injunction or other order, directive or notice (whether from any court of law, arbitral or tribunal body or any government authority) or any legal or administrative action or proceedings (whether actual pending or threatened) restraining or prohibiting or seeking to set aside or render as unlawful or void or unenforceable, any of the transactions contemplated under this SPA or any Transaction Document

SRE may at any time waive in whole or in part and conditionally or unconditionally the Conditions Precedent by notice in writing to the Vendors, save that the Condition Precedent set out in Clause 4.1(d) may only be waived by the board of Target Companies.

Other salient terms of the SPA

On 1 February 2022, AGF has entered into separate employment contracts with Terence and Li Lian as consultant from 1 February 2022 to tap on their expertise in property management and to ensure a smooth transition of the projects under PMS and PPF. The employment contracts are renewable subject to Terence, Li Lian and AGF's consent.

As part of the commercial negotiations between the Company and the Vendors, it is agreed that the Vendors shall withdraw such amounts from the bank accounts of the Target Companies and shall leave $35,000 in cash and/or trade receivables, excluding doubtful receivables, in the Target Companies as at Completion Date.

Long Stop Date

If the Conditions Precedent are not fulfilled by 15 February 2022 or such later date as the Vendors and SRE may agree in writing ("**Long Stop Date**"), the SPA shall terminate.

Non-compete undertakings

Each Vendor severally and not jointly undertakes to SRE that he shall procure that neither he nor any of his connected persons will, directly or indirectly, in any capacity on his own account or on behalf of any other person or jointly with any other person, and whether as principal, shareholder, partner, employee, consultant, agent, investor or otherwise:

(a) within Singapore during 36 months from the Completion Date ("**Restricted Period**"), carry on or be connected or interested or engaged in (i) any business competing with the whole or part of business in provision of property management services carried on by Target Companies ("**Restricted Business**") or (b) the setting up of any business which would compete with the whole or part of any Restricted Business;

(b) during the Restricted Period, canvass or solicit Restricted Business from, or carry out Restricted Business with any person who is client/customer of the Target Companies during the 12-month period prior to the Completion Date;

(c) during the Restricted Period, induce or seek to induce away from Target Companies who was an employee of the Target Companies whether or not this would be a breach of contract on the part of the employee provided that this restriction only applies to such persons who occupy or who occupied a senior executive or managerial positions in Target Companies;

(d) during the Restricted Period do or say anything which is harmful to the reputation of Target Companies or which may lead to a client to cease to deal with Target Companies or to deal with it on less advantageous terms; and

(e) not to employ any employee of the Target Companies to engage in any business related to property management or related business for a period of five (5) years after the Completion Date

6. Rule 1006 Relative Bases

The relative figures computed on the bases set out in Rule 1006 of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") ("**Catalist Rules**") based on the latest announced unaudited financial statements of the Group for HY2021 and the management accounts of Target Companies for HY2021 are as follows:

Rule		Relevant figures
Rule 1006(a)	Net asset value of the assets to be disposed of, compared with the Group's net asset value	Not applicable
Rule 1006(b)	Net profits attributable to the assets acquired, compared with the Group's net profits(1)	(11.6%)
Rule 1006(c)	The aggregate value of the consideration received, compared with the Company's market capitalisation(2)	3.0%
Rule 1006(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
Rule 1006(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	Not applicable

Notes:
(1) *Based on the net loss before tax of the Group for HY2021 amounting to S$975,000 and 100% of the net profit before tax of PMS and PPF amounting to S$136,580 and S$818 respectively.*
(2) *Based on the aggregate consideration of S$1,030,000 and the Company's market capitalisation of approximately S$34,663,625 and the weighted average price of $0.138 as at 25 January 2022 (being the last market day where the Company's shares were traded, preceding the date of the SPA).*

Catalist Rule 1007(1) states, inter alia, that if any of the relative figures computed pursuant to Catalist Rule 1006 involves a negative figure, Chapter 10 may still be applicable to the transaction in accordance with the applicable circumstances.

Having considered Paragraph 4.4(b) of Practise Note 10A of the Catalist Rules, as the relative figures computed under Rule 1006(b) and Rule 1006(c) of the Catalist Rules exceeds 5%, but does not exceed 75%, the Acquisition constitutes a "discloseable transaction" as defined in Chapter 10 of the Catalist Rules. Accordingly, the Company is not required to seek shareholders' approval for the Acquisition.

7. Financial Effects of the Acquisition

The proforma financial effects of the Acquisition on the net tangible assets ("**NTA**") per share and earnings per share ("**EPS**") of the Group as set out below are purely for illustrative purposes only and do not reflect the actual financial performance or position of the Group after the Acquisition. The financial effects of the Acquisition set out below have been prepared based on the Group's audited consolidated financial statements for FY2020 and the Target Companies' unaudited financial statements for FY2020.

The financial effects have been prepared on the following bases and assumptions:
(a) that the Acquisition had been completed on 1 January 2020 for the purposes of illustrating the financial effects on earnings per shares ("**EPS**");
(b) that the Acquisition had been completed on 31 December 2020 for the purposes of illustrating the financial effects on net tangible asset ("**NTA**"); and
(c) the computation does not take into account any expenses that may be incurred in relation to the Acquisition.

7.1 EPS

The proforma financial effects of the Acquisition on the EPS of the Group for FY2020 are summarized below:

EPS	Before the Acquisition	After the Acquisition
Profits attributable to owners of the Company(1) (S$)	4,525,000	4,314,823
Weighted average number of issued shares(2)	251,346,538	251,346,538
Basic and diluted EPS (cents)	1.80	1.72

Notes:

(1) Represents net profits after tax and minority interests.

(2) Based on the number of ordinary shares issued (excluding treasury shares and subsidiary holdings) as at 31 December 2020.

7.2 NTA per share

The proforma financial effects of the Acquisition on the NTA per share of the Group as at 31 December 2020 are summarized below:

NTA	Before the Acquisition	After the Acquisition
Consolidated NTA(1) (S$'000)	41,612	40,411
Number of issued shares(2)	251,264,691	251,264,691
Consolidated NTA per share (cents)	16.56	16.08

Notes:

(1) Represents consolidated NTA excluding minority interests and intangible assets.

(2) Based on the number of ordinary shares issued (excluding treasury shares and subsidiary holdings) as at 31 December 2020.

8. Details of Service Contracts of Proposed Director(s)

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

9. 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.

10. Interest of Directors and Controlling Shareholders

None of the Directors, or controlling shareholders of the Company and their respective associates has any interest, direct or indirect, in the Acquisition, other than through their respective shareholding interest (if any) in the Company.

By Order of the Board of Directors

Chin Mei Yang
Chief Executive Officer and Executive Director
15 February 2022

This announcement has 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 Ms. Charmian Lim (Telephone: 65-6232 3210) at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542.