

Condensed Unaudited Financial Statements For the Six Months Ended 30 June 2024 (“HY2024”)

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Advancer Global Limited and its Subsidiaries

**Condensed interim consolidated statement of profit or loss and other comprehensive income
For the six-month financial period ended 30 June 2024**

	Note	Group		
		HY2024 S\$'000	HY2023 S\$'000	Changes (%)
Revenue	5	33,018	31,386	5.2
Cost of Sales		(25,948)	(25,655)	1.1
Gross profit		7,070	5,731	23.4
Other operating income		1,972	1,107	78.1
Administrative expenses		(8,972)	(8,702)	3.1
Finance expenses		(68)	(54)	25.9
Share of profit from equity-accounted for associates		279	197	41.6
Profit/(Loss) before income tax	6	281	(1,721)	N/M
Income tax credit/(expense)	8	3	(1)	N/M
Profit/(Loss) for the financial period, representing total comprehensive income/(loss) for the financial period		284	(1,722)	N/M
Profit/(Loss) for the financial period attributable to:				
Owners of the Company		252	(1,600)	N/M
Non-controlling interests		32	(122)	N/M
Profit/(Loss) for the financial period		284	(1,722)	N/M
Earnings/(Loss) per share attributable to owners of the Company				
Weighted average number of ordinary shares outstanding for basic and diluted loss per share ('000)		251,186	251,186	
Basic and diluted (cents)	10	0.10	(0.64)	N/M

Note:

(1) N/M – Not meaningful

Advancer Global Limited and its Subsidiaries

Condensed interim consolidated statement of profit or loss and other comprehensive income For the six-month financial period ended 30 June 2024

Explanatory Notes to the condensed interim consolidated statement of profit or loss and other comprehensive income

1. Revenue increased in HY2024 to S\$33.0 million compared to S\$31.4 million in HY2023 due to the following factors:
 - (i) The Employment Services business saw a growth in revenue from S\$4.4 million in HY2023 to S\$5.0 million in HY2024, mainly due to an increase in commission earned from recruiters as more MDWs were placed during the period under review.
 - (ii) The Building Management Services also experienced growth, with revenue increasing from S\$18.6 million in HY2023 to S\$19.6 million in HY2024. This was primarily driven by the commencement of sales of the Group's new energy cost-saving product and an increase in fumigation services provided to end customers.
 - (iii) Revenue from the Security Services Business remained stable in HY2024, recording only a marginal increase from S\$8.4 million in HY2023 to S\$8.5 million in HY2024.
2. Cost of sales remained relatively consistent for HY2024 at S\$25.9 million as compared to S\$25.7 million for HY2023.
3. As a result of the above, the Group's gross profit margin increased from 18.3% in HY2023 to 21.4% in HY2024.
4. Increase in other operating income by S\$0.9 million from S\$1.1 million in HY2023 to S\$2.0 million in HY2024 was mainly due to increase in the amount of government grant and credit schemes of S\$0.7 million.
5. Administrative expenses increased marginally for HY2024 at S\$9.0 million as compared to S\$8.7 million for HY2023 mainly due to an increase in provision for staff cost related expenses and advertising expenses for MDW.
6. Finance expenses increased by S\$14,000 mainly due to the increase in interest expenses on lease liabilities and bank borrowing.
7. The Group recorded a share of profit of S\$287,000 from G3 Environmental Private Limited ("**G3**"). The share of profit from G3 was offset by the share of losses of S\$8,000 from Fullcast International Co., Ltd. ("**Fullcast**") for HY2024.

Advancer Global Limited and its Subsidiaries

Condensed interim statements of financial position
As at 30 June 2024

	Note	Group		Company	
		As at		As at	
		30-Jun- 2024	31-Dec- 2023	30-Jun- 2024	31-Dec- 2023
		S\$'000	S\$'000	S\$'000	S\$'000
ASSETS					
Non-current assets					
Goodwill on consolidation	11	2,845	2,845	-	-
Intangible assets	12	325	246	-	-
Investments in subsidiaries	13	-	-	11,487	11,487
Investments in associates	14	892	619	-	-
Other investments	15	56	-	-	-
Property, plant and equipment	16	558	2,367	-	-
Investment property	17	850	-	-	-
Right-of-use assets		2,284	2,392	-	-
Total non-current assets		7,810	8,469	11,487	11,487
Current assets					
Inventories		220	778	-	-
Other investments	15	2,856	2,832	2,856	2,832
Trade and other receivables	18	13,910	15,281	17,356	16,450
Cash and bank balances		16,277	16,293	8,188	9,168
Assets of disposal group held for sale	19	2,310	-	-	-
Total current assets		35,573	35,184	28,400	28,450
Total assets		43,383	43,653	39,887	39,937
EQUITY AND LIABILITIES					
Equity					
Share capital	21	40,607	40,607	40,607	40,607
Treasury shares	22	(241)	(241)	(241)	(241)
Accumulated losses		(4,645)	(4,897)	(615)	(523)
Other reserves		(3,457)	(3,457)	-	-
Equity attributable to owners of the Company		32,264	32,012	39,751	39,843
Non-controlling interests		(371)	(403)	-	-
Total equity		31,893	31,609	39,751	39,843
Non-current liabilities					
Deferred tax liabilities		74	77	-	-
Lease liabilities	23	1,031	1,016	-	-
Bank borrowing	23	-	473	-	-
Total non-current liabilities		1,105	1,566	-	-
Current liabilities					
Lease liabilities	23	1,308	1,426	-	-
Trade and other payables	24	6,174	8,151	136	94
Contract liabilities from contracts with customers		1,864	874	-	-
Bank borrowing	23	-	27	-	-
Liabilities of disposal group held for sale	19	1,039	-	-	-
Total current liabilities		10,385	10,478	136	94
Total liabilities		11,490	12,044	136	94
Total equity and liabilities		43,383	43,653	39,887	39,937

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

**Condensed interim statements of financial position
As at 30 June 2024**

Explanatory Notes to the condensed interim statements of financial position

1. Current assets

The Group's current assets increased by S\$0.4 million or 1.1% from S\$35.2 million as at 31 December 2023 to S\$35.6 million as at 30 June 2024, mainly due to the reclassification of the non-current assets and current assets of AGS Integration Pte. Ltd. ("**AGSI**") as "Assets of disposal group classified as held for sale" amounting to approximately S\$2.3 million to current assets following the announcement for the sale of AGSI on 31 May 2024. The increase in current assets is mainly offset by the decrease in (a) trade and other receivables of S\$1.37 million due to improvement in collection of debts, and (b) inventories of S\$0.6 million mainly due to reclassification of AGSI inventories to "Assets of disposal group classified as held for sale" as well as utilisation of inventories for installation works during the financial period.

2. Non-current assets

The Group's non-current assets decreased by S\$0.7 million or 7.8% from S\$8.5 million as at 31 December 2023 to S\$7.8 million as at 30 June 2024, mainly due to (a) decrease in property, plant and equipment of S\$1.8 million mainly due to (i) reclassification of AGSI's property, plant and equipment amounting to S\$0.9 million as "Assets of disposal group classified as held for sale" as well as (ii) reclassification of leasehold property of S\$0.9 million to investment property following the change in the use of the property, and (b) decrease in right-of-use assets of S\$0.1 million. The decrease is partially offset by the increase in (a) other investments of S\$0.1 million, (b) investment in associates due to recognition of share of profit during the financial period of S\$0.3 million, (c) intangible assets of S\$0.1 million during the financial period for the enterprise resource planning system used by the Employment Services business and (d) reclassification of leasehold property as investment property of S\$0.9 million as highlighted above.

3. Current liabilities

The Group's current liabilities decreased by S\$0.1 million or 0.9% from S\$10.5 million as at 31 December 2023 to S\$10.4 million as at 30 June 2024, mainly due to decrease in (a) trade and other payables of approximately S\$2.0 million (more details of which are set out in Note 24) and (b) lease liabilities of S\$0.1 million. The decrease was offset by increase in (a) contract liabilities of approximately S\$1.0 million as well as the reclassification of the non-current liabilities and current liabilities of AGSI as "Liabilities of disposal group classified as held for sale" amounting to approximately S\$1.0 million to current liabilities following the announcement for the sale of AGSI on 31 May 2024.

4. Non-current liabilities

The Group's non-current liabilities decreased by S\$0.5 million or 29.4% from S\$1.6 million as at 31 December 2023 to S\$1.1 million as at 30 June 2024, mainly due to the reclassification of AGSI's non-current liabilities as "Liabilities of disposal group classified as held for sale" of approximately S\$0.5 million.

Advancer Global Limited and its Subsidiaries

Condensed interim statements of changes in equity
For the six-month financial period ended 30 June 2024

Group

Note	Attributable to owners of the Company						Non-controlling interests	Total equity
	Share capital	Treasury shares	Accumulated losses	Capital reserve	Merger reserve	Total		
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000		
Balance at 1 January 2024	40,607	(241)	(4,897)	(854)	(2,603)	32,012	(403)	31,609
Profit for the financial period, representing total comprehensive income for the financial period	-	-	252	-	-	252	32	284
Balance at 30 June 2024	40,607	(241)	(4,645)	(854)	(2,603)	32,264	(371)	31,893
Balance at 1 January 2023	40,607	(241)	(963)	(640)	(2,603)	36,160	(16)	36,144
Loss for the financial period, representing total comprehensive loss for the financial period	-	-	(1,600)	-	-	(1,600)	(122)	(1,722)
Acquisition of interest in a subsidiary without change of control	-	-	-	(214)	-	(214)	(106)	(320)
Balance at 30 June 2023	40,607	(241)	(2,563)	(854)	(2,603)	34,346	(244)	34,102

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Advancer Global Limited and its Subsidiaries

**Condensed interim statements of changes in equity
For the six-month financial period ended 30 June 2024**

<u>Company</u>	Note	Share capital S\$'000	Treasury shares S\$'000	Accumulated losses S\$'000	Total S\$'000
Balance at 1 January 2024		40,607	(241)	(523)	39,843
Loss for the financial period, representing total comprehensive loss for the financial period		-	-	(92)	(92)
Balance at 30 June 2024		<u>40,607</u>	<u>(241)</u>	<u>(615)</u>	<u>39,751</u>
Balance at 1 January 2023		40,607	(241)	(452)	39,914
Loss for the financial period, representing total comprehensive loss for the financial period		-	-	(136)	(136)
Balance at 30 June 2023		<u>40,607</u>	<u>(241)</u>	<u>(588)</u>	<u>39,778</u>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Advancer Global Limited and its Subsidiaries

**Condensed interim consolidated statement of cash flows
For the six-month financial period ended 30 June 2024**

	Group	
	HY2024 S\$'000	HY2023 S\$'000
Operating activities		
Profit/(Loss) before income tax	281	(1,721)
Adjustments for:		
Amortisation of intangible assets	88	85
Bad debts written off	50	-
Depreciation of property, plant and equipment	183	284
Depreciation of right-of-use assets	839	860
Dividend income	(42)	(40)
Fair value (gain)/loss arising from quoted financial assets at fair value through profit or loss ("FVTPL")	(24)	74
Reversal of impairment loss for unquoted equity instruments	(56)	-
Gain on disposal of property, plant and equipment, net	(15)	(61)
(Gain)/Loss on lease modification	(2)	6
Interest expense	68	54
Interest income	(128)	(175)
(Reversal of loss)/Loss allowance for receivables (trade), net	(60)	7
Share of profit from equity-accounted for associates	(279)	(197)
Operating cash flows before movements in working capital	<u>903</u>	<u>(824)</u>
Changes in working capital:		
Inventories	88	58
Trade and other receivables	573	(493)
Trade and other payables	(1,484)	(928)
Contract liabilities from contracts with customers	1,043	166
Cash generated from/(used in) operations	<u>1,123</u>	<u>(2,021)</u>
Interest received	128	175
Income taxes paid	-	(3)
Net cash generated from/(used in) operating activities	<u>1,251</u>	<u>(1,849)</u>
Investing activities		
Dividend received	42	40
Proceeds from disposal of an associate	5	-
Acquisition of non-controlling interests in a subsidiary	-	(320)
Proceeds from disposal of property, plant and equipment	43	69
Purchase of intangible assets	(167)	-
Purchase of property, plant and equipment	(130)	(901)
Net cash used in investing activities	<u>(207)</u>	<u>(1,112)</u>

The accompanying notes form an integral part of and should be read in conjunction with these financial statements.

Advancer Global Limited and its Subsidiaries**Condensed interim consolidated statement of cash flows
For the six-month financial period ended 30 June 2024**

	Group	
	HY2024	HY2023
	S\$'000	S\$'000
Financing activities		
Interest paid	(12)	(6)
Repayment of bank borrowing	(13)	(16)
Repayment of lease liabilities	(888)	(942)
Net cash used in financing activities	<u>(913)</u>	<u>(964)</u>
Net increase/(decrease) in cash and cash equivalents	131	(3,925)
Cash and cash equivalents at beginning of financial period	16,293	20,797
Cash and cash equivalents at end of financial period	<u>16,424</u>	<u>16,872</u>

For the purposes of presenting the consolidated statement of cash flows, cash and cash equivalents comprise of the following at the end of the financial period:

	HY2024
	S\$'000
Cash and bank balances	
- The Company and its subsidiaries	16,277
- Disposal group held for sale (Note 19)	147
Cash and cash equivalents at the end of financial period	<u>16,424</u>

Explanatory Notes to the condensed consolidated statement of cash flows

Group's cash and cash equivalents increased by S\$0.1 million from S\$16.3 million as at 31 December 2023 to S\$16.4 million as at 30 June 2024.

- (1) The Group's net cash generated from operating activities amounted to S\$1.3 million for HY2024, which resulted from operating cash flows before movements in working capital of S\$0.9 million, decrease in trade and other receivables and increase in contract liabilities from contracts with customers of S\$0.6 million and S\$1.0 million respectively, as well as the decrease in inventories of S\$0.1 million, offset by the decrease in trade and other payables of S\$1.5 million.
- (2) Net cash used in investing activities amounted to S\$0.2 million for HY2024, which was mainly due to (a) purchase of property, plant and equipment of S\$0.1 million and (b) intangible assets of S\$0.2 million on the enterprise resource planning system for the Employment Services business. The increase is partially offset by the dividends received from quoted equity instruments as well as proceeds from the disposal of an associate and property, plant and equipment totalling S\$0.1 million.
- (3) Net cash used in financing activities amounted to S\$0.9 million for HY2024, mainly due to (a) payment for lease liabilities of S\$0.9 million, (b) interest payment of S\$12,000 in relation to bank borrowing and lease liabilities, and (c) repayment of bank borrowing of S\$13,000.

1. Corporate information

Advancer Global Limited (the “**Company**”) (Registration Number 201602681W) is a limited liability company incorporated and domiciled in Singapore and listed on the Catalist Board of the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”).

The registered office and principal place of business of the Company is located at 135 Jurong Gateway Road, #05-317, Singapore 600135.

The principal activity of the Company is that of investment holding. The principal activities of the Group are:

- (a) Employment agencies and maid agencies
- (b) General cleaning and stewarding services
- (c) Pest control and fumigation services
- (d) Residential real estate management, real estate agents, property management and valuation services
- (e) Integrated facility management
- (f) Landscape planting, care and maintenance services
- (g) Wholesales of electronic component
- (h) Security services
- (i) Installation and maintenance of security system and CCTV monitoring

These condensed interim consolidated financial statements as 30 June 2024 comprise the Company and its subsidiaries (collectively, the “**Group**”).

2. Basis of preparation

The condensed unaudited financial statements for the six months ended 30 June 2024 have been prepared in accordance with SFRS(I) 1-34 Interim Financial Reporting issued by the Accounting Standards Council Singapore. The condensed unaudited financial statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance of the Group since the last audited financial statements for the year ended 31 December 2023.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with Singapore Reporting Standards (International) (“**SFRS(I)s**”), except for the adoption of new and amended standards as set out in Note 2.1. The condensed interim unaudited financial statements are presented in Singapore dollar which is the Company’s functional currency.

2.1 New and amended standards adopted by the Group

A number of amendments to standards have become applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting those standards.

2.2 Use of estimates and judgements

In preparing the condensed financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2023.

2.2 Use of estimates and judgements (Continued)

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

There were no significant judgements made in applying accounting policies that have significant effect of causing a material adjustment to the carrying amount of assets and liabilities within the next interim period.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next interim period are included in the following notes:

- Note 11 – impairment of goodwill on consolidation
- Note 12 – impairment of intangible assets
- Note 13 – impairment of investments in subsidiaries
- Note 14 – impairment of investments in associates
- Note 25 – fair value of assets and liabilities

3 Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4 Segment and revenue information

For management purposes, the Group is organised into business units based on their products and services, and has three reportable segments as follows:

- (a) Employment Services Business segment – the provision of one-stop shop services for the sourcing, employment and training of Migrant Domestic Workers to households, as well as sourcing and employment of foreign workers to, amongst others, corporate and organisations;
- (b) Building Management Services Business segment – (a) the provision of integrated building facility management services including property consultancy, property and facilities management services, property valuation, investment and (b) sales, cleaning and stewarding, waste management, landscape, pest control and fumigation services to, amongst others, hospitals, hotels, schools, residential, commercial and industrial properties; and
- (c) Security Services Business segment – the provision of manpower and technology for security solutions and services to, amongst others, commercial, industrial and residential properties, as well as remote surveillance and security consultancy services such as crisis management.

Except as indicated above, no operating segments have been aggregated to form the above reportable operating segments. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects, as explained in the table below, is measured differently from operating profit or loss in the financial statements. Group financing (including finance expenses) and income taxes are managed on a group basis and are not allocated to operating segments.

Advancer Global Limited and its Subsidiaries

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 June 2024

4 Segment and revenue information (Continued)

Information about reportable segments

Group	Employment Services Business S\$'000	Building Management Services Business S\$'000	Security Services Business S\$'000	Unallocated S\$'000	Eliminations S\$'000	Total S\$'000
30 June 2024						
External sales	4,957	19,570	8,491	-	-	33,018
- Service income	4,957	19,046	8,442	-	-	32,445
- Installation services	-	136	2	-	-	138
- Sales of goods	-	388	47	-	-	435
Inter-segment revenue	73	1,585	217	-	(1,875)	-
Total revenue	5,030	21,155	8,708	-	(1,875)	33,018
Interest income	-	3	7	118	-	128
Interest expense	9	32	27	-	-	68
Dividend income	-	-	-	42	-	42
Amortisation	15	73	-	-	-	88
Depreciation	180	610	232	-	-	1,022
Loss/(Reversal of loss) allowance for receivables (trade),net	-	4	(64)	-	-	(60)
Reportable segment profit/(loss) before income tax	(91)	146	318	(92)	-	281
Share of (loss)/profit from equity-accounted for associates	(8)	287	-	-	-	279
Reportable segment assets	2,701	21,089	8,498	11,095	-	43,383
Investment in associates	-	892	-	-	-	892
Reportable segment liabilities	3,079	6,131	2,144	136	-	11,490
Capital expenditures	167	199	98	-	-	464
30 June 2023						
External sales	4,383	18,625	8,378	-	-	31,386
- Service income	4,383	18,606	7,979	-	-	30,968
- Installation services	-	-	5	-	-	5
- Sales of goods	-	19	394	-	-	413
Inter-segment revenue	44	1,634	309	-	(1,987)	-
Total revenue	4,427	20,259	8,687	-	(1,987)	31,386
Interest income	-	9	7	159	-	175
Interest expense	12	35	7	-	-	54
Dividend income	-	-	-	40	-	40
Amortisation	10	75	-	-	-	85
Depreciation	173	808	163	-	-	1,144
Loss/(Reversal of loss) allowance for receivables (trade),net	-	15	(8)	-	-	7
Reportable segment loss before income tax	(42)	(1,219)	(324)	(136)	-	(1,721)
Share of (loss)/profit from equity-accounted for associates	(42)	234	5	-	-	197
Reportable segment assets	2,120	18,615	8,592	14,604	-	43,931
Investment in associates	56	413	139	-	-	608
Reportable segment liabilities	2,156	5,140	2,446	87	-	9,829
Capital expenditures	17	884	-	-	-	901

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 June 2024

4 Segment and revenue information (Continued)

Geographical information

The Group operates in one principal geographical area being Singapore except for Employment Services business in Japan through Fullcast. Fullcast was recognised as an associate of the Group.

The Group's revenue and non-current assets information based on the geographical location of customers and assets respectively are in Singapore, with no significant concentration of particular customers.

5. Disaggregation of Revenue

	Group	
	<u>HY2024</u>	<u>HY2023</u>
	S\$'000	S\$'000
Service income (point in time)		
– Employment Services	4,957	4,370
– Building Management Services	3,806	2,654
– Security Services	1,932	1,831
	10,695	8,855
Service income (over time)		
– Employment Services	-	13
– Building Management Services	15,240	15,952
– Security Services	6,510	6,148
	21,750	22,113
Installation services (point in time)	138	5
Sales of goods (point in time)	435	413
	<u>33,018</u>	<u>31,386</u>

6. Profit/(Loss) before income tax

Profit/(Loss) before income tax has been arrived after crediting / (charging):

	Group	
	<u>HY2024</u>	<u>HY2023</u>
	S\$'000	S\$'000
<i>Included in other operating income:</i>		
Administrative fees income	41	13
Dividend income	42	40
Fair value gain arising from quoted financial assets at FVTPL	24	-
Gain on disposal of property, plant and equipment, net	15	61
Government credit schemes and government grants	1,473	777
Refund of insurance charges	10	3
Rental income	52	14
Reversal of impairment loss on unquoted equity instruments	56	-
Sponsorship	8	17
Interest income from advances to subcontractors	10	16
Interest income from fixed deposits	118	159

Notes to the condensed interim consolidated financial statements
For the six-month financial period ended 30 June 2024

6. Profit/(Loss) before income tax (Continued)

Profit/(Loss) before income tax has been arrived after crediting / (charging) (Continued):

	<u>HY2024</u>	<u>Group</u> <u>HY2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>
<i>Included in cost of sales:</i>		
Cost of inventories recognised as an expense	(421)	(285)
Depreciation of right-of-use assets	(237)	(232)
Insurance	(456)	(213)
Expenses relating to lease of low-value assets	(7)	(6)
Expenses relating to short-term leases	(61)	(46)
Recruitment expenses	(1,812)	(1,682)
Staff costs (excluding key management personnel remuneration)	(17,630)	(18,401)
Subcontractors' fees	<u>(4,418)</u>	<u>(3,711)</u>
<i>Included in administrative expenses:</i>		
Advertising expenses	(141)	(65)
Amortisation of intangible assets	(88)	(85)
Depreciation of property, plant and equipment	(183)	(284)
Depreciation of right-of-use assets	(602)	(628)
Directors' fees	(75)	(72)
Expenses relating to short-term leases	(81)	(79)
Expenses relating to lease of low-value assets	(1)	(2)
Fair value loss arising from quoted financial assets at FVTPL	-	(74)
Insurance	(136)	(168)
Key management personnel remuneration	(1,862)	(2,006)
Reversal of loss/(Loss) allowance for receivables (trade), net	60	(7)
Loss on lease modification	-	(6)
Retainer fees	(75)	(59)
Staff costs (excluding key management personnel remuneration)	<u>(4,140)</u>	<u>(3,640)</u>
<i>Included in finance expenses:</i>		
Interest expenses on borrowing	(12)	(4)
Interest expenses on leases	<u>(56)</u>	<u>(50)</u>

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7. Related party transactions

In addition to the related party information disclosed elsewhere in the condensed interim financial statements, the following significant transactions between the Group and related parties took place at terms agreed between the parties during the financial period:

	Group		Company	
	<u>HY2024</u> S\$'000	<u>HY2023</u> S\$'000	<u>HY2024</u> S\$'000	<u>HY2023</u> S\$'000
Subsidiaries				
Advances to subsidiaries	-	-	2,585	1,065
Related parties				
Service income from related parties	-	1	-	-
Service income from associates	6	-	-	-
Purchase of leasehold property from related parties	-	840	-	-
Purchases from non-controlling interests	11	185	-	-
Purchases from associates	14	39	-	-
Purchases from a related party	-	-	-	-
Payment on behalf by related parties	28	52	-	-
Lease from related parties	-	26	-	-

8. Income tax (credit)/expense

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense in the condensed interim consolidated statement of profit or loss are:

	Group	
	<u>HY2024</u> S\$'000	<u>HY2023</u> S\$'000
Current income tax		
– Current financial year	-	1
– Over-provision in prior financial years	(3)	-
Total tax (credit)/expense	<u>(3)</u>	<u>1</u>

9. Net Asset Value

	Group		Company	
	<u>30 Jun</u> <u>2024</u>	<u>31 Dec</u> <u>2023</u>	<u>30 Jun</u> <u>2024</u>	<u>31 Dec</u> <u>2023</u>
Net asset value (S\$'000)	<u>32,264</u>	<u>32,012</u>	<u>39,751</u>	<u>39,843</u>
Number of ordinary shares issued (excluding treasury shares)	<u>251,185,691</u>	<u>251,185,691</u>	<u>251,185,691</u>	<u>251,185,691</u>
Net asset value per share (cents)	<u>12.84</u>	<u>12.74</u>	<u>15.83</u>	<u>15.86</u>

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10. Earnings/(Loss) per share

	<u>30 June</u> <u>2024</u>	<u>Group</u> <u>30 June</u> <u>2023</u>
Profit/(Loss) for the financial period attributable to owners of the Company (S\$'000)	252	(1,600)
Weighted average number of ordinary shares outstanding for basic and diluted loss per share ('000)	<u>251,186</u>	<u>251,186</u>
Basic and diluted earnings/(loss) per share (cents)	<u>0.10</u>	<u>(0.64)</u>

The basic and diluted earnings/(loss) per share is the same as there were no potentially dilutive instruments as at 30 June 2024 and 30 June 2023.

The Company did not purchase treasury shares during HY2024 and HY2023.

11. Goodwill on consolidation

	<u>30 Jun</u> <u>2024</u> <u>S\$'000</u>	<u>Group</u> <u>31 Dec</u> <u>2023</u> <u>S\$'000</u>
Cost:		
At 1 January and at end of financial period/year	<u>2,845</u>	<u>2,845</u>

Impairment testing of goodwill

Goodwill that has an indefinite useful life are not subject to amortisation and are tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. The assessment for the impairment of goodwill for the financial year ending 31 December 2024 will rely on significant management judgement at appropriately identifying the cash-generating unit and to determine certain key assumptions including, *inter alia*, operating margins, terminal growth rates, discount rates and the underlying the cash flow projections. The actual future performance, outcome and results of the Group may differ materially from the projection as result of, *inter alia*, known and unknown risks, uncertainties, bases and assumptions including uncertainty arising from the pandemic and/or matters beyond the Group's control. As the impact cannot be reliably estimated with certainty at this point of time, no goodwill impairment was provided for HY2024, and impairment of goodwill will be reviewed again at the end of financial year 2024.

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12. Intangible assets

<u>Group</u>	<u>Customer contracts and contractual customer relationships⁽¹⁾</u> S\$'000	<u>Non-contractual customer relationships⁽²⁾</u> S\$'000	<u>Operation system, operational web portal and mobile application⁽³⁾</u> S\$'000	<u>Total</u> S\$'000
Cost				
At 1 January 2024	2,629	362	592	3,583
Additions during the financial period	-	-	167	167
At 30 June 2024	<u>2,629</u>	<u>362</u>	<u>759</u>	<u>3,750</u>
Accumulated amortisation				
At 1 January 2024	2,602	308	427	3,337
Amortisation for the financial period	5	23	60	88
At 30 June 2024	<u>2,607</u>	<u>331</u>	<u>487</u>	<u>3,425</u>
Carrying amount at 30 June 2024	<u>22</u>	<u>31</u>	<u>272</u>	<u>325</u>

(1) Customer contracts and contractual customer relationships were acquired in business combinations during the financial years ended 31 December 2016, 2017, 2019 and 2022.

(2) Cost of non-contractual customer relationships is attributable to long-term relationship with its customers.

(3) Cost is attributable to the development of (i) operational web portal and enterprise resource planning system for the Group's Employment Services Business, (ii) mobile application for cleaning services, (iii) a dashboard for property management services, and (iv) operation system for pest control services.

Acquired intangible assets are measured initially at cost. The cost of intangible assets acquired in a business combination is their fair value at the acquisition date. Subsequent to initial recognition, the intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses.

13. Investments in subsidiaries

	<u>Company</u>	
	<u>30 Jun</u> <u>2024</u> S\$'000	<u>31 Dec</u> <u>2023</u> S\$'000
Investments in subsidiaries, at cost	11,487	11,487

Strike off Advancer Nation Pte. Ltd.

On 5 February 2024, Advancer Nation Pte. Ltd., an indirect wholly owned subsidiary of the Company held through Advancer Global Manpower Pte. Ltd. has been struck off from the Register of Companies pursuant to Section 344A of the Companies Act 1967 of Singapore.

13. Investments in subsidiaries (Continued)

Increase in issued and paid-up capital of Advancer IFM Pte. Ltd.

On 5 April 2024, Advancer IFM Pte. Ltd. (“**AIFM**”), an indirect wholly owned subsidiary of the Company held through Advancer Global Security Pte. Ltd. (“**AGS**”) increased its issued and paid-up share capital by way of allotment and issuance of 1,200,000 new shares at S\$1.00 per share (“**New Shares**”) to AGS. The subscription by the Company was funded through internal resources. Following the allotment and issuance of the New Shares, AIFM’s issued and paid-up share capital is S\$1,500,000 comprising of 1,500,000 shares and the percentage shareholding interest of the Company in AIFM remains the same at 100%.

Strike off SRE Management Services Pte. Ltd.

On 29 April 2024, SRE Management Services Pte. Ltd., an indirect 82% owned subsidiary of the Company held through Advancer Global Facility Pte. Ltd. (“**AGF**”) has been struck off from the Register of Companies pursuant to Section 344A of the Companies Act 1967 of Singapore.

Strike off Our Express Services Pte. Ltd.

On 8 May 2024, Our Express Pte. Ltd., an indirect wholly owned subsidiary of the Company held through AGF has been struck off from the Register of Companies pursuant to Section 344A of the Companies Act 1967 of Singapore.

Disposal of 70% issued and paid-up share capital of AGSI and loan settlement with AGSI

On 31 May 2024, AGS, a wholly owned subsidiary of the Company, entered into a share sale and loan settlement agreement with Matrix Chamber Pte. Ltd (“**Matrix Chamber**”) to dispose of AGS’s 70% shareholding interests in AGSI for a nominal consideration of S\$1.00 and with AGSI for the settlement of loan, advances, receivables and loan interests owing by AGSI to the Group amounting to S\$2,741,793.13 for a sum of S\$2,500,000 (“**Settlement Amount**”).

Pursuant to the terms of the share sale and loan settlement agreement, subject to the satisfaction (or waiver) of certain conditions stipulated therein, the Settlement Amount shall be fully satisfied in cash by AGSI in the following manner:

- (a) 1st payment of S\$630,000 by no later than 31 May 2024;
- (b) 2nd payment of S\$500,000 by no later than 1 August 2024;
- (c) 3rd payment of S\$500,000 by no later than 1 July 2025;
- (d) 4th payment of S\$500,000 by no later than 1 July 2026; and
- (e) 5th and final payment of S\$370,000 by no later than 1 July 2027 (the “**Final Instalment**”).

AGSI will also sell its property and the net proceeds from the disposal of the property shall be paid to AGS by AGSI and credited against the Final Instalment, so that AGSI shall only be required to pay AGS the balance amount after considering the net proceeds from the disposal of the property.

AGS will transfer its entire 70% shareholding in AGSI to Matrix Chamber or its nominee, upon receipt of no less than S\$1,130,000, being the 1st and 2nd instalment payment.

At the date of this announcement, AGS received the 1st and 2nd payments totalling S\$1,130,000 and has transferred its 70% shareholding in AGSI to Matrix Chamber. Following the completion of the share transfer to Matrix Chamber, AGS ceased to hold any equity interest in AGSI.

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14. Investments in associates

	<u>Group</u>	
	<u>30 June 2024</u> S\$'000	<u>31 Dec 2023</u> S\$'000
Investments in associates, at cost	516	696
Impairment loss	-	(1)
Share of associates' results	376	(76)
Carrying amount	<u>892</u>	<u>619</u>

The Group has not recognised losses in relation to an associate where its share of losses exceeds the Group's carrying amount of its investment in the associate. The Group's cumulative share of unrecognised losses was S\$7,000 as at 30 June 2024 (31 December 2023: S\$Nil). The Group has no obligation in respect of these losses.

Disposal of 45% shareholding in Eazable Pte. Ltd.

On 1 February 2024, AGS, a wholly owned subsidiary of the Company, entered into a share transfer agreement with the Group's business advisor, Mr. Teo Sau Keong, to dispose of its 45% total equity interest held in the registered capital of Eazable Pte. Ltd. ("**Eazable**"), for a total cash consideration of S\$5,354.

Following the completion of the disposal, AGS ceased to hold the 45% equity interest in Eazable.

15. Other investments

	<u>Note</u>	<u>Group</u>		<u>Company</u>	
		<u>30 Jun</u> <u>2024</u> S\$'000	<u>31 Dec</u> <u>2023</u> S\$'000	<u>30 Jun</u> <u>2024</u> S\$'000	<u>31 Dec</u> <u>2023</u> S\$'000
<u>Non-current investments</u>					
<i>Financial assets held at FVTPL</i>					
Unquoted equity instruments – at FVTPL		56	-	-	-
<u>Current investments</u>					
<i>Financial assets held at FVTPL</i>					
Quoted equity instruments – at FVTPL		2,856	2,832	2,856	2,832
Total financial assets held at FVTPL		<u>2,912</u>	<u>2,832</u>	<u>2,856</u>	<u>2,832</u>
Movement for unquoted equity instruments					
At beginning of the period/year		-	-	-	-
Reversal of impairment loss recognised in profit or loss	(a)	56	-	-	-
		<u>56</u>	<u>-</u>	<u>-</u>	<u>-</u>
Movement for quoted equity instruments					
At beginning of the period/year		2,832	2,905	2,832	2,905
Fair value gain/(loss) recognised in profit or loss	(b)	24	(73)	24	(73)
		<u>2,856</u>	<u>2,832</u>	<u>2,856</u>	<u>2,832</u>

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15. Other investments (Continued)

Unquoted equity instruments

- (a) It relates to the investments in Zhe Jiang Zhi Wu Hui Yun Technology Co. Ltd., a company incorporated in People's Republic of China, held through Advancer Smart Technology Pte. Ltd., with shareholding at 15%. As at 30 June 2024 and 31 December 2023, the fair value of the equity instrument was determined based on net assets of the investee. The carrying amounts of most assets and liabilities of the investee approximate their respective fair value due to the relative short-term maturity of these assets and liabilities.

The investment amount is denominated in Chinese Renminbi.

Quoted equity instruments

- (b) The quoted equity instruments classified at FVTPL have no fixed maturity date or coupon rate. The fair values of these instruments are based on closing quoted market prices on the last market day of the financial period/year.

16. Property, plant and equipment

During HY2024, the Group acquired assets amounting to S\$130,000 (HY2023: S\$901,000) and disposed of assets with carrying amount of S\$28,000 (HY2023: S\$8,000).

17. Investment property

	<u>Group</u>	
	<u>30 Jun</u> <u>2024</u> <u>S\$'000</u>	<u>31 Dec</u> <u>2023</u> <u>S\$'000</u>
<u>At fair value</u>		
At 1 January	-	-
Reclassified from property, plant and equipment	850	-
At end of financial period/year	<u>850</u>	<u>-</u>

The fair values of the Group's investment property have been determined by independent qualified professional valuers based on the presumption that the Group's current use of the properties is their highest and best use in the absence of other factors proving otherwise.

The valuations were arrived at by reference to market evidence of transaction prices for similar properties with similar uses and were performed in accordance with International Valuation Standards. For commercial investment properties, the valuer has applied the market comparable approach. Details of valuation techniques and inputs used are described in Note 25.

The Group's investment property is held under leasehold interests. The Group has no restrictions on the realisability of its investment property and no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance and enhancements.

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17. Investment property (Continued)

The following amounts are recognised in profit or loss:

	<u>HY2024</u> <u>S\$'000</u>
Rental income from investment properties	<u>12</u>
Direct operating expenses (including repairs and maintenance) from:	
- rental-generating investment properties	<u>3</u>

18. Trade and other receivables

	<u>Group</u>		<u>Company</u>	
	<u>30 Jun 2024</u>	<u>31 Dec 2023</u>	<u>30 Jun 2024</u>	<u>31 Dec 2023</u>
	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>	<u>S\$'000</u>
Trade receivables				
- Third parties	9,437	10,394	-	-
- Related party	-	-	-	-
- Accrued receivables	17	396	-	-
Less: Loss allowance	<u>(230)</u>	<u>(306)</u>	<u>-</u>	<u>-</u>
Total trade receivables	<u>9,224</u>	<u>10,484</u>	<u>-</u>	<u>-</u>
Other receivables				
- Third parties	529	509	43	39
- Subsidiaries	-	-	13,555	12,655
- Related parties	3	-	-	-
- Loan receivable from an associate	2,492	2,492	-	-
- Advances to recruiters and suppliers	249	466	-	-
- Deferred costs	245	116	-	-
- Deposits	565	683	-	-
- Dividend receivable from subsidiaries	-	-	4,265	4,265
- Prepayments	395	377	8	6
- Receivable from government grants	127	42	-	-
- Staff loans	293	331	-	-
Less: Loss allowance	<u>(212)</u>	<u>(219)</u>	<u>(515)</u>	<u>(515)</u>
Total other receivables	<u>4,686</u>	<u>4,797</u>	<u>17,356</u>	<u>16,450</u>
Total trade and other receivables	<u>13,910</u>	<u>15,281</u>	<u>17,356</u>	<u>16,450</u>

19. Disposal group held for sale

On 31 May 2024, AGS, a wholly owned subsidiary of the Company, entered into a share sale and loan settlement agreement with Matrix Chamber to dispose of its 70% total equity interest held in the registered capital of AGSI, for a total cash consideration of S\$1. The transaction was completed on 1 August 2024 following the transfer of AGS's entire shareholding in AGSI to Matrix Chamber.

As at 30 June 2024, the assets and liabilities relating to AGSI are classified as disposal group held for sale and presented in the statement of financial position as "Assets of disposal group held for sale" and "Liabilities of disposal group held for sale".

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19. Disposal group held for sale (Continued)

The major classes of assets and liabilities of AGSI as at 30 June 2024 are as follows:

	HY2024
	S\$'000
Assets:	
Cash and cash equivalents	147
Trade and other receivables	809
Inventories	470
Property, plant and equipment	877
Right-of-use assets	7
Assets of disposal group held for sale	<u>2,310</u>
Liabilities:	
Trade and other payables	(492)
Contract liabilities	(53)
Borrowings	(487)
Lease liabilities	(7)
Liabilities of disposal group held for sale	<u>(1,039)</u>
Net assets of AGSI company level classified as held for sale before eliminations	1,271
Inter-company eliminations	<u>(2,108)</u>
Net liabilities of AGSI company level classified as held for sale	<u><u>(837)</u></u>

All the financial assets and liabilities held by AGSI are denominated in Singapore dollar.

20. Financial assets and financial liabilities

Set out below is an overview of the financial assets and financial liabilities of the Group as at 30 June 2024 and 31 December 2023:

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Financial assets at FVTPL				
Unquoted equity instruments	56	-	-	-
Quoted equity instruments	2,856	2,832	2,856	2,832
Total	<u>2,912</u>	<u>2,832</u>	<u>2,856</u>	<u>2,832</u>
Financial assets at amortised cost				
Trade and other receivables	13,910	15,281	17,356	16,450
Less: Advances to recruiters and suppliers	(249)	(466)	-	-
Less: Deferred cost	(245)	(116)	-	-
Less: Prepayments	(395)	(377)	(8)	(6)
Less: Receivable from government grants	(127)	(42)	-	-
	<u>12,894</u>	<u>14,280</u>	<u>17,348</u>	<u>16,444</u>
Cash and cash equivalents	16,277	16,293	8,188	9,168
Total	<u><u>29,171</u></u>	<u><u>30,573</u></u>	<u><u>25,536</u></u>	<u><u>25,612</u></u>
Financial liabilities at amortised cost				
Trade and other payables	6,174	8,151	136	94
Less: Deferred income	(27)	(61)	-	-
Less: Provision for warranties	(5)	-	-	-
Less: GST payables	(985)	(1,052)	-	-
Less: Withholding tax	(2)	(2)	(2)	(2)
	<u>5,155</u>	<u>7,036</u>	<u>134</u>	<u>92</u>
Lease liabilities	2,339	2,442	-	-
Bank borrowing	-	500	-	-
Total	<u><u>7,494</u></u>	<u><u>9,978</u></u>	<u><u>134</u></u>	<u><u>92</u></u>

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21. Share capital

	Group and Company	
	No. of shares	S\$'000
<u>Issued and fully paid, with no par value</u>		
At 31 December 2023 and 30 June 2024	252,363,591	40,607
	Group and Company	
	No. of shares	No. of shares
Total number of issued shares, including treasury shares	252,363,591	252,363,591
Treasury shares	(1,177,900)	(1,177,900)
Total number of issued shares, excluding treasury shares	251,185,691	251,185,691

The Company's subsidiaries do not hold any shares in the Company as at 30 June 2024, 31 December 2023 and 30 June 2023.

22. Treasury shares

	Group and Company			
	30 Jun 2024		31 Dec 2023	
	No. of shares	S\$'000	No. of shares	S\$'000
<u>Issued and fully paid, with no par value</u>				
At 1 January	1,177,900	241	1,177,900	241
At 30 June/31 December	1,177,900	241	1,177,900	241

There was no share buy-back conducted by the Company during HY2024 and the financial year ended 31 December 2023.

As at 30 June 2024, the number of treasury shares held by the Company, amounting to 1,177,900 represented 0.47% (31 December 2023: 1,177,900 represented 0.47%) of the total number of issued ordinary shares (excluding treasury shares).

No treasury shares were sold, transferred, disposed, cancelled and/or used during HY2024 (HY2023: Nil).

The Shareholders of the Company had, at the annual general meeting of the Company, held on 30 April 2024, approved the renewal of the Share Buy-Back Mandate.

23. Borrowings

Bank borrowing

	30 Jun 2024		31 Dec 2023	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
<u>Property loan</u>				
Amount repayable within one year or less, or on demand	-	-	27	-
Amount repayable after one year	-	-	473	-
	-	-	500	-

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23. Borrowings (Continued)

The property loan is secured by first legal mortgage over the Tradehub 21 property and guaranteed by the Company and its subsidiary, AGS. Repayment commences on 30 September 2017 in instalments with final instalment on 31 August 2037. The property loan bears interest at 4.78% (2023: 4.78%) per annum from 7 August 2023 to 6 August 2025 and the bank's prevailing enterprise financial rate for the subsequent years.

The carrying amount of the Group's bank borrowing approximates its fair value as the interest rate approximates the market rate prevailing at the end of the financial period.

The bank borrowing is denominated in Singapore dollar.

As at 30 June 2024, the bank borrowing has been reclassified under "Liabilities of disposal group held for sale" (Note 19) following the Group's intended disposal of AGSI to Matrix Chamber (Note 13).

Lease liabilities

The lease liabilities at 30 June 2024 and 31 December 2023 are as follows:

	Group	
	30 June 2024	31 Dec 2023
	S\$'000	S\$'000
Lease liabilities – non-current	1,031	1,016
Lease liabilities – current	1,308	1,426
	2,339	2,442

24. Trade and other payables

	Group		Company	
	30 Jun 2024	31 Dec 2023	30 Jun 2024	31 Dec 2023
	S\$'000	S\$'000	S\$'000	S\$'000
Trade payables				
- Third parties	786	1,040	-	-
- Related party	1	281	-	-
- Subcontractor	127	30	-	-
	914	1,351	-	-
Total trade payables				
Other payables				
- Related parties	16	47	-	-
- Accrued operating expenses	3,871	5,291	134	92
- Deferred income	27	61	-	-
- Deposit received	36	29	-	-
- Dividend payables to non-controlling interests	90	90	-	-
- Credit notes to customers	228	228	-	-
- Provision for warranties	5	-	-	-
- GST payables	985	1,052	-	-
- Withholding tax	2	2	2	2
	5,260	6,800	136	94
Total other payables				
Total trade and other payables	6,174	8,151	136	94

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25. Fair value of assets and liabilities

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- (a) Level 1 – the fair values of assets and liabilities with standard terms and conditions and which trade in active markets that the Group can access at the measurement date are determined with reference to quoted market prices (unadjusted).
- (b) Level 2 – in the absence of quoted market prices, the fair values of the assets and liabilities are determined using the other observable, either directly or indirectly, inputs such as quoted prices for identical or similar assets/liabilities in non-active markets.
- (c) Level 3 – in the absence of quoted market prices included with Level 1 and observable inputs included within Level 2, the fair values of the remaining assets and liabilities are determined in accordance with generally accepted pricing models.

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The table below analyses the Group's assets that are measured at fair value on a recurring or non-recurring basis in the statement of financial position after initial recognition.

	Group		
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
	S\$'000	S\$'000	S\$'000
<u>Recurring fair value measurements</u>			
Non-financial assets:			
- Commercial investment property	-	-	850
Financial assets:			
Financial assets at FVTPL			
- Unquoted equity instruments	-	-	56
- Quoted equity instruments	2,856	-	-
At 30 June 2024	2,856	-	906
<u>Recurring fair value measurements</u>			
Financial assets:			
Financial assets at FVTPL			
- Unquoted equity instruments	-	-	-
- Quoted equity instruments	2,832	-	-
At 31 December 2023	2,832	-	-

Except as disclosed in the respective notes, the carrying amounts of the current financial assets and financial liabilities, including cash and cash equivalents, trade receivables, trade payables, lease liabilities and bank borrowing and the above financial assets, approximate their respective fair values.

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25. Fair value of assets and liabilities (Continued)

Level 3

Commercial investment property

The commercial investment property was valued using the market comparable approach which estimates the property's fair value based on comparable transactions and used in combination with term and reversion method.

The market comparable approach estimates the property's fair value based on comparable transactions. The term and reversion method measures the fair value of the property by considering the rental income derived from the existing lease with due allowance for the reversionary income potential of the leases, which are then capitalised into the value at appropriate rates. The market comparable approach is often used in combination with the reversion method as many inputs to the method are based on market comparison.

Summary of the quantitative information about the significant unobservable inputs used in the level 3 fair value measurement.

<u>Description</u>	<u>Fair value at 30 June 2024 S\$'000</u>	<u>Valuation technique</u>	<u>Significant unobservable inputs</u>	<u>Range (weighted average)</u>	<u>Relationship of unobservable inputs to fair value</u>
Commercial investment property	850	Market comparable approach	Price per sqm	S\$6,115	An increase will result in a decrease in fair value

Unquoted equity instruments

For unquoted equity instruments, the valuation technique has been described in Note 15.

26. Subsequent events after reporting date

- (a) On 31 July 2024, SRE Global Pte. Ltd. ("**SREG**"), an indirect wholly owned subsidiary of the Company held through AGF, increased its issued and paid-up share capital by way of allotment and issuance of 200,000 new shares at S\$1.00 per share ("**New Shares**") to AGF and the other shareholders of SREG in accordance with the current shareholding. The increase in share capital of S\$200,000 was funded via the capitalization of the unpaid dividend payable due from SREG to its shareholders. Following the allotment and issuance of the New Shares, SREG's issued and paid-up share capital is S\$950,000 comprising of 950,000 shares and the percentage shareholding interest of the Company in SREG remains the same at 82%.
- (b) On 1 August 2024, AGS, a wholly owned subsidiary of the Company, received the 2nd payment of S\$500,000 from Matrix Chamber and has transferred its 70% shareholding in AGSI to Matrix Chamber on 2 August 2024. Following the completion of the share transfer to Matrix Chamber, AGS ceased to hold any equity interest in AGSI.

26. Subsequent events after reporting date (Continued)

- (c) On 6 August 2024, AGF, a wholly owned subsidiary of the Company, and the other shareholders of G3, had accepted the offer to sell their shareholdings in G3 to Re Sustainability International (Singapore) Pte. Ltd. ("**REI**"), a wholly owned subsidiary of Re Sustainability Limited, for a total consideration of S\$22.0 million (the "**Proposed Disposal**"). For AGF's 20.1% shareholding in G3, the consideration receivable is S\$4.42 million.

As all parties have yet to commence the preparation of the definitive agreements in relation to the Proposed Disposal, the Company will provide further updates to shareholders in due course upon entry into the definitive agreements.

Other information required by Appendix 7C of the Catalist Rules

**Other information required by Appendix 7C of the Catalyst Rules
For the six-month financial period ended 30 June 2024**

1. Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.

The condensed interim statements of financial position of Advancer Global Limited and its subsidiaries (the “**Group**”) as at 30 June 2024 and the related condensed interim consolidated statement of profit or loss and other comprehensive income, condensed interim statements of changes in equity and condensed interim consolidated statement of cash flows for the financial period ended 30 June 2024 and certain explanatory notes have not been audited or reviewed.

2. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group’s business. It must include a discussion of the following:

- (a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
- (b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Please refer to Explanatory Notes to the unaudited condensed interim financial statements for the financial period ended 30 June 2024.

3. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable. No forecast or prospect statement has been previously disclosed to shareholders.

4. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

With interest rates having peaked in 2023, there is widespread anticipation that the US Federal Reserve will reduce its rate hikes in 2024 due to early signs of easing inflation. Nonetheless, global concerns over geopolitical tensions, such as the Russia-Ukraine and Israel-Hamas conflicts, persist and continue to elevate business costs. This ongoing crisis could potentially impact the Group's financial results, prompting a strategic reassessment and realignment to gain a competitive edge.

The Group continues to emphasize leveraging innovation, technology, and enhancing staff efficiency to mitigate rising manpower costs. By utilizing advanced analytics, big data curation, and IoT technology to provide actionable insights for customers, new opportunities are being created. To meet market demands swiftly and reduce time-to-market, the Group will enhance the functionalities of its smart FM solutions. Additionally, the Group will support its Integrated Facility Management (IFM) strategy by developing estate apps for residents and facility management apps for property managers, while promoting internal resource sharing to enhance efficiency.

However, anticipated increases in costs, high staff turnover rates, and challenges in talent acquisition are expected to exert pressure on revenue growth in 2024. To remain competitive, the Group will continue its focus on differentiating its service offerings and capitalizing on its strengths as a locally based IFM provider with extensive domain expertise. Investing in technological solutions, including upgrading its Enterprise Resource Planning system, will be crucial for repositioning subsidiaries and strengthening their market position.

5. Dividend

(a) Whether an interim (final) ordinary dividend has been declared or recommended.

No dividend has been declared or recommended for the current financial period.

(b) Corresponding period of the immediately preceding financial year

No dividend has been declared or recommended for the financial year ended 31 December 2023.

(c) Whether the dividend is before tax, net of tax or tax exempt. If before tax or net of tax, state whether the tax rate and the country where the dividend is derived. (if the dividend is not taxable in the hands of shareholders, this must be stated).

Not applicable.

(d) The date the dividend is payable

Not applicable.

(e) The date on which Registrable Transfers received by the Company (up to 5.00pm) will be registered before entitlements to the dividend are determined.

Not applicable.

6. If no dividend has been declared (recommended), a statement to that effect and the reasons for the decision.

No dividend has been declared or recommended for the financial period ended 30 June 2024 to conserve cash in view of the current economic uncertainties.

7. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Group has not obtained a general mandate from shareholders for interested person transactions. There were no interested person transactions entered into during HY2024.

8. Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7H) under Rule 720(1)

The Company has procured undertakings from all its directors and executive officers as set out in Appendix 7H under Rule 720(1).

**Other information required by Appendix 7C of the Catalyst Rules
For the six-month financial period ended 30 June 2024**

9. Updates on use of Net Subscription Proceeds

The Board refers to the Company's announcements dated 16 April 2021 and 9 May 2022 in relation to the re-allocation and updated status of use of net subscription proceeds (the "**Net Subscription Proceeds**") arising from the Company's issue and allotment of 65,000,000 subscription shares on 31 August 2018. The status of utilisation of the Net Subscription Proceeds as at the date of this announcement is set out as follows:

	Amount allocated	Amount utilised	Balance
	S\$ million	S\$ million	S\$ million
Expansion of business operations	12.30	(6.29)	6.01
General corporate and working capital purposes of the Group, mainly to support administrative and operational expenses (Note (a))	5.44	(5.44)	-
Investment in money market instruments and/or quoted securities	4.00	(2.08)	1.92
	<u>21.74</u>	<u>(13.81)</u>	<u>7.93</u>

Note:

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

	<u>S\$'000</u>
Professional and listing related expenses	1,112
Administrative expenses – staff costs	682
Administrative expenses - others	93
Purchase of inventory for a subsidiary	170
Repayment of loan incurred by a subsidiary	300
Advances to subsidiaries for operational expenses	<u>3,083</u>
	<u>5,440</u>

10. Disclosure pursuant to Rule 706A of the Catalyst Rules

On 31 July 2024, SREG, an indirect 82% subsidiary of the Company, increased its share capital from S\$750,000 to S\$950,000. There is no change in the % shareholding of SREG owned by AGF following the increase in share capital. The increase in share capital of S\$200,000 was funded via the capitalization of the unpaid dividend payable due from SREG to its shareholders and is not expected to have a material impact on the earnings per share or net tangible assets per share of the Group for the current financial year ending 31 December 2024.

Please also refer to the Company's:

- (i) announcement dated 1 February 2024 in relation to the disposal of 45% shareholding in Eazable;
- (ii) announcement dated 5 February 2024 in relation to the strike off of Advancer Nation Pte. Ltd.;
- (iii) announcement dated 5 April 2024 in relation to the increase in issued and paid-up capital of AIFM;
- (iv) announcement dated 3 May 2024 in relation to the strike off of SRE Management Services Pte. Ltd.;

Advancer Global Limited and its Subsidiaries

**Other information required by Appendix 7C of the Catalist Rules
For the six-month financial period ended 30 June 2024**

- (v) announcement dated 9 May 2024 in relation to the strike off of Our Express Pte. Ltd.;
- (vi) announcement dated 31 May 2024 in relation to the disposal of 70% shareholding in AGSI to Matrix Chamber and loan settlement with AGSI;
- (vii) announcement dated 2 August 2024 in relation to the receipt of the 2nd payment of S\$500,000 from AGSI on 1 August 2024 and completion of AGS's 70% shareholding in AGSI to Matrix Chamber; and
- (viii) announcement dated 6 August 2024 in relation to the acceptance of a binding offer by AGF from REI to dispose of its 20.1% shareholding in G3.

11. Confirmation by the Board Pursuant to Rule 705(5)

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the condensed interim financial statements for the six-month financial period ended 30 June 2024 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Lim Teck Chai, Danny
Independent Non-Executive Chairman
12 August 2024

Chin Mei Yang
Chief Executive Officer and Executive Director
12 August 2024