

Katrina Group, Advancer Global to debut on Catalist

Advancer launches IPO with 43m shares at S\$0.22 apiece; Katrina lodges preliminary offer document

By Grace So
graceso@sph.com.sg

Singapore

THE Catalist board will soon see the addition of two homegrown names, with F&B player Katrina Group and Advancer Global making their way to the local bourse.

Integrated services provider Advancer Global has launched its Catalist initial public offering (IPO) with the issue of 43 million new shares, priced at S\$0.22 per share.

Of the 43 million new shares, two million would be up for public offer. The remaining 41 million shares would be offered by way of placement, of which four million shares would be reserved for subscription by the company's directors, employees, customers and suppliers.

The IPO will bring Advancer's enlarged share capital to more than 173 million shares.

Advancer is perhaps most well-known for its Nation Employment maid agency, which is one of the biggest maid agencies in Singapore.

The firm positions itself as a one-stop workforce solutions provider. Its business consists of two main arms – employment services and facilities management.

Advancer's facilities management segment consists of its cleaning, stewarding, pest control and security services.

Advancer's facilities management arm's clients consist of more than 400 big corporations, hotels and shopping malls such as Mandarin Oriental Hotel, Tan Tock Seng Hospital, JEM, The Centrepoint and Midview City.

In FY2015, the firm made a net profit of S\$4.4 million on revenue of S\$44.8 million, which translates to a post-IPO earnings per share of 2.52 Singapore cents.



"(Investors) can be assured that we have been going through this path since 10 years ago and it's in our track record that we have been acquiring companies successfully," said Mr Chin.

Additionally, Advancer has an order book value totalling S\$43.1 million as at June 2, 2016.

The IPO's net proceeds of S\$7.54 million will be used to fund the group's acquisition of new companies.

Advancer's chief executive officer Gary Chin said that their model of growing through strategic acquisitions has proven to be successful for the group so far, and therefore they would continue to follow the same model.

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Advancer is looking to acquire businesses that would expand its current operations and also those that

are complementary to its existing services, such as landscaping and mechanical and electrical (M&E) companies.

Mr Chin adds that this would increase the firm's status as a one-stop solution for comprehensive services, since such industries mostly service the same pool of customers.

The public offer for Advancer's shares will be open from June 30, 2016 at 6pm, and will close on July 7, 2016. Following this, its shares will commence trading on July 11, 2016 at 9am.

The group has proposed a dividend payout of at least 50 per cent for the years FY2016, FY2017 and FY2018.

SAC Capital is the issue manager and underwriter for Advancer Global's IPO.

Meanwhile, Katrina Group also

lodged its preliminary offer document with the Singapore Exchange on Thursday.

The F&B group operates 32 restaurants in Singapore and two in China under its nine brand names, which include Thai restaurant chain Bali Thai, Chinese hotpot restaurant chain Hong-guo and Vietnamese restaurant chain So Pho.

Katrina made a net profit of S\$4.3 million on revenue of S\$52.4 million in FY2015.

The group intends to use proceeds from the IPO to fund the launch of its online food ordering and delivery system, the expansion of its halal-certified restaurants, its expansion into new regional markets and future joint ventures or acquisitions.

Katrina has appointed Hong Leong Finance as its sponsor, issue manager and placement agent for its IPO.