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FOR IMMEDIATE RELEASE

Advanced revenue rebound 32.9% to S$42.9 million for 9M2018

- *74.9% increase in revenue from Petrochemicals and Chemicals segment*
- *Order book improved to S$59.4 million*
- *Cash reserves healthy at S$33.6 million*

(in S$'m)	3Q2018	3Q2017 (restated)	Chg (%)	9M2018	9M2017 (restated)	Chg (%)
Revenue	16.6	13.7	21.5	42.9	32.3	32.9
Gross profit	4.8	5.1	(5.4)	14.0	10.8	29.3
Gross profit margin (%)[1]	28.8	37.0	(8.2)pts	32.6	33.5	(0.9)pts
Profit/(Loss) for the period	(0.3)	0.5	NM	(0.6)	(3.6)	(83.4)
EPS (cents)[2]	(0.05)	0.62	NM	(0.29)	(3.24)	(91.0)

[1] *Any discrepancies in the percentages are due to rounding*
[2] *EPS is based on the weighted average number of 101,268,367 ordinary shares (30 September 2017: 101,268,367)*

SINGAPORE – 7 November 2018 – Advanced Holdings Ltd. ("Advanced" or "Group"), a global supplier of proprietary process equipment, clean energy solutions and related technologies, today announced a revenue of S$42.9 million for the nine months ended 30 September 2018 ("**9M2018**"). This represents a 32.9% increase in revenue from the S$32.3 million reported for the same period the previous year ("**9M2017**").

The Group's core industry - Petrochemicals and Chemicals - continues to be the driving force behind the upturn in revenue that the Group's business has been seeing this year.

In line with the revenue figures, gross profit increased year-on-year, from S$10.8 million in 9M2017 to S$14 million for 9M2018. Gross profit margin dipped very slightly from 33.5% to 32.6%, a 0.9 percentage point decrease from the same period last year.

The performance of the Petrochemicals and Chemicals business segment is exemplified by the S$34.2 million in revenue it generated in the first three quarters of 2018, representing a 74.9% increase over the S$19.5 million generated in 9M2017.

Meanwhile the Oil and Gas segment's revenue generation is still impacted by the effects of an industry-wide downturn, a continuing trend for the year thus far. Revenue from Oil and Gas amounted to S$6.5 million in 9M2018, a decrease of 27.2% from the S$8.9 million reported in 9M2017.

China continues to be the Group's strongest market in terms of regional revenue generation. The Chinese market accounted for S$12.3 million in revenue for 9M2018, a substantial increase from the S$4.7 million over the same three quarters in 2017.

Growth in the US is still going strong as the region contributed S$6.8 million in revenue for 9M2018 compared to S$3.9 million in 9M2017 - an increase of 70.9%.

Revenue from Kazakhstan more than doubled year-on-year, from S$4.1 million in 9M2017 to S$8.3 million for the same period this year. This is due to a large project the Group has undertaken in the country.

The improved revenue from these markets - as well as Vietnam, the Middle East and Other Asian Countries - has helped to offset the decrease in revenue from the European, Singaporean and Indonesian markets.

The Group experienced a net foreign exchange gain of approximately S$64,000 for 9M2018, as compared to the net foreign exchange loss of S$1.2 million suffered in 9M2017.

9M2018 ended with a net loss of S$0.3 million attributable to the owners of the company, as compared to the S$3.3 million loss experienced in 9M2017.

The Group's financial position, as at 30 September 2018, is steady with cash holdings of S$33.6 million.

As at 30 September 2018, the outstanding order book of the Group is in good shape, standing at approximately S$59.4 million.

Outlook

The market expects oil demand to slow down in 2019, on higher oil prices and weaker economic growth. Some analysts predicted an oversupply of oil production in the first quarter of 2019. Some producers appear to have slowed down or held back further capital expansion plans, focusing instead on maximising profits.

Amidst the backdrop of impending trade war with the United States of America, China appears determined to continue their refinery capacity expansion and investment plan through 2022. The Group expects very stiff competitions arising from these expansion projects and will continue to leverage on its strengths to overcome the challenging environment.

The Company had on 15 August 2017 entered into a conditional share purchase agreement ("Original SPA") to acquire the entire equity interest in Agricore Global Pte Ltd together with its subsidiaries (the "Target Group"), (referred to as the "Proposed Acquisition"). The Original SPA has lapsed on 12 October 2018, the longstop date.

Subsequently on 18 October 2018, the Company entered into another conditional share purchase agreement (the "SPA") with Vertex DG. Pte. Ltd. (the "Seller") in relation to the proposed acquisition ("Restructured Acquisition") of 12.25% of the Target Group, as opposed to the acquisition of the entire equity interest of the Target Company contemplated under the Original SPA.

The Restructured Acquisition constitutes a major transaction under Rule 1014 of the Listing Manual (the "Listing Rules") of the Singapore Exchange Securities Trading Limited and is subject to, amongst other things, the approval of the SGX-ST and the shareholders of the Company at an extraordinary general meeting to be convened.

The Company has decided that it would be in its best interests to downsize the acquisition of the Target Group, which will provide the Company with the necessary platform for its next phase of growth while continuing to focus on its existing core business in the provision of engineering services and equipment

The Long-Stop Date for the Restructured Acquisition is 18 January 2019, following the signing of an extension agreement.

Please refer to SGXnet announcement dated 18 October 2018 for more details relating to the Proposed Acquisition.

Appendix A: Revenue breakdown by segment from continuing operations

Revenue by Industry (S$'m)	9M2018	9M2017	% Chg [1]
Petrochemicals & Chemicals	34.2	19.5	74.9
Oil & Gas	6.5	8.9	(27.2)
Iron & Steel	0.2	0.9	(75.6)
Others	2.0	2.9	(31.0)
Revenue by Geography (S$'m)	**9M2018**	**9M2017**	**% Chg [1]**
China	12.3	4.7	159.5
Europe	4.3	6.2	(29.7)
Kazakhstan	8.3	4.1	103.0
USA	6.8	3.9	70.9
Singapore	3.0	4.5	(32.0)
Indonesia	0.2	3.1	(92.7)
Malaysia	0.9	0.7	(23.3)
Vietnam	3.1	2.1	46.0
Other Asian Countries	2.0	1.2	63.1
Middle East	1.6	1.1	55.9
Others	0.3	0.5	(45.2)

[1] *Any discrepancies in the percentages are due to rounding*

About Advanced Holdings Ltd.
Founded in 1993, SGX Mainboard-listed Advanced is a specialist company primarily focused on the design and supply of ***Process Equipment and Technologies*** *to the* ***Oil & Gas*** *and* ***Petrochemicals & Chemicals*** *industries; the design and supply of* ***Clean Energy*** *and the provision of* ***Environmental Technologies****. Advanced is an established global company with rapidly growing presence across countries spanning Asia, Europe, the Middle East and the USA.*