

OTHERS ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - ACCEPTANCE OF LETTER OF AWARD BY ADVANCECON SARAWAK SDN BHD, A 30% OWNED ASSOCIATE COMPANY FROM WENAN STEEL (MALAYSIA) SDN BHD

ADVANCECON HOLDINGS BERHAD

Type	Announcement
Subject	OTHERS
Description	ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - ACCEPTANCE OF LETTER OF AWARD BY ADVANCECON SARAWAK SDN BHD, A 30% OWNED ASSOCIATE COMPANY FROM WENAN STEEL (MALAYSIA) SDN BHD

Introduction

The Board of Directors of Advancecon Holdings Berhad ("Advancecon" or "the Company") is pleased to announce that Advancecon Sarawak Sdn Bhd ("ASSB"), a company in which Advancecon has a 30% equity interest had on 1 March 2021 accepted the Letter of Award ("LOA") from Wenan Steel (Malaysia) Sdn Bhd for the appointment of ASSB as the Main Contractor for the proposed earthwork of iron & steel production complex on Lots 342 and 343, Block 1, Kemena Land District at Samalaju Industrial Park, Bintulu, Sarawak for the total contract sum of RM153,500,000.00 ("the Contract"). The contract period shall be commencing from 15 March 2021 until 14 March 2022.

ASSB is principally involved in the business of providing earthworks and civil engineering services and other related services.

Risk Factors

There are no foreseeable significant risks other than operational risk associated with the Contract during the contract period.

Financial Effects

Barring any unforeseen circumstances, the Contract is expected to contribute positively towards the future earnings of Advancecon Group for the duration of the Contract and will not have any effect on the share capital and substantial shareholders' shareholdings of Advancecon Group.

The Group intends to fund the Contract via internally generated funds and/or external borrowings.

Directors' and Substantial Shareholders' Interest

None of the Directors' and/or substantial shareholders and/or any person connected to them have any interest, either direct or indirect in the Contract.

Directors' Statement

The Board of Directors, after considering all the relevant factors, is of the opinion that the Contract is in the best interest of the Group. The Contract is being entered into in the ordinary course of business and is not subject to the approval of shareholders of the Company.

This announcement is dated 1 March 2021.

Announcement Info

Company Name	ADVANCECON HOLDINGS BERHAD
Stock Name	ADVCON
Date Announced	01 Mar 2021
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