

MATERIAL LITIGATION ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") SHAH ALAM HIGH COURT CIVIL SUIT NO. BA-23NCVC-24-04/2021 ZETI ISMRIZAN BINTI ISA & 5 ORS ("PLAINTIFFS") VS. SPRING ENERGY SDN BHD ("DEFENDANT")

ADVANCECON HOLDINGS BERHAD

Type	Announcement
Subject	MATERIAL LITIGATION
Description	ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") SHAH ALAM HIGH COURT CIVIL SUIT NO. BA-23NCVC-24-04/2021 ZETI ISMRIZAN BINTI ISA & 5 ORS ("PLAINTIFFS") VS. SPRING ENERGY SDN BHD ("DEFENDANT")

The Board of Director of Advancecon Holdings Berhad ("Advancecon" or "the Company") wishes to announce that an indirect 51% owned subsidiary, Spring Energy Sdn. Bhd. ("SESB" or "the Defendant") had on 19 April 2021 received a Writ of Summon and Statement of Claim both dated 16 April 2021 filed by Zeti Ismrizan Binti Isa and 5 others ("Plaintiffs") under Shah Alam High Court Civil Suit No. BA-23NCVC- 24-04/2021.

Please refer to the attachment for further information.

This announcement is dated 17 December 2021.

Please refer attachment below.

Attachments

[Advancecon_material litigation_SESB_to Bursa.pdf](#)
138.9 kB

Announcement Info

Company Name	ADVANCECON HOLDINGS BERHAD
Stock Name	ADVCON
Date Announced	17 Dec 2021
Category	General Announcement for PLC
Reference Number	GA1-17122021-00054

(*) Indicates a mandatory field. Please fill in all the necessary information.

		New Announcement
	Date	: 17 December 2021
*	Company name	: ADVANCECON HOLDINGS BERHAD
*	Stock name	: ADVCON
*	Stock code	: 5281
*	Type	: General Announcement
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	Description	: ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") SHAH ALAM HIGH COURT CIVIL SUIT NO. BA-23NCVC-24-04/2021 ZETI ISMRIZAN BINTI ISA & 5 ORS ("PLAINTIFFS") VS. SPRING ENERGY SDN BHD ("DEFENDANT")

1. Date of Received of the Writ of Summons and Statement of Claim

The Board of Director of Advancecon Holdings Berhad ("Advancecon" or "the Company") wishes to announce that an indirect 51% owned subsidiary, Spring Energy Sdn. Bhd. ("SESB" or "the Defendant") had on 19 April 2021 received a Writ of Summon and Statement of Claim both dated 16 April 2021 filed by Zeti Ismrizan Binti Isa and 5 others ("Plaintiffs") under Shah Alam High Court Civil Suit No. BA-23NCVC-24-04/2021.

2. The particulars of the claim under the Writ of Summons and Statement of Claim, including the amount claimed for and the interest rate

Pursuant to the Writ of Summons and Statement of Claim, Zeti Ismrizan Binti Isa and 5 others ("**Plaintiffs**") are claiming from Spring Energy Sdn Bhd ("SESB") for the sum of RM3,966,065.18 being the alleged specific damages suffered by the Plaintiffs due to the purported damages and/or variation to the quality or nature caused to their lands by SESB who has carried out construction work without the consent of the Plaintiffs.

SESB has raised a Third Party Claim against Persatuan Penduduk Bukit Damar Dengkil, Dato' Mohamad Hussin bin Semail and Muhammad Faizal bin M. Hairi (hereinafter referred as "the Third Parties") to indemnify SESB for any losses and/or damages suffered by SESB as a result of the Plaintiffs' claim as the Third Parties have breached the agreement and/or failed to obtain the consent from the Plaintiffs and/or have fraudulently or negligently misrepresented SESB that they have obtained the consent from all the landowners of Lot 281 and Lot 282 for SESB to commence the work. The Third Parties have filed application to strike out SESB's Third Party Claim on 6 August 2021 ("**Strike Out Application**").

3. Details of the default or circumstances leading to the filing of the Writ of Summons and Statement of Claim against SESB

Persatuan Penduduk Bukit Damar Dengkil and SESB have entered into an agreement to construct the Link Road & Access Road and earthwork at Lot 281 & 282 of Kampung Bukit Damar. The Plaintiffs are claiming that the work carried out by SESB was done without their consent that the work has caused damages and/or variation to the quality or nature to their lands. Therefore, the Plaintiffs have filed the claim against SESB to claim for the purported losses and/or damages suffered by them including the purported decrease of value of their lands.

4. A confirmation as to whether SESB is a major subsidiary

SESB is a major subsidiary of Advancecon.

5. The cost of investment in SESB

Advancecon do not have direct investment in SESB, and the Company made its 51% equity investment through its holding company, Spring Energy Resources Berhad.

6. The financial and operational impact of the Writ of Summons and Statement of Claim on the Group

There is no significant financial and operational impact on the Group.

7. The expected losses, if any, arising from the Writ of Summons and Statement of Claim on the Group

Save and except for the sum of RM3,966,065.18 being the specific damages claimed by the Plaintiffs, the other damages that maybe awarded by the court and the legal cost in defending against the Plaintiff's Writ, SESB is not expected to incur any further losses arising from the Writ.

8. Steps taken and proposed to be taken in respect of the Writ of Summons and Statement of Claim on the Group

On 3 November 2021 for hearing of the Strike Out Application, the High Court has allowed for the Strike Out Application due to technical irregularity and the High Court has fixed the case management on 17 November 2021 for the main suit.

The Court has during the case management on 17 November 2021 directed the parties to file and serve 'Tabulated Summary of parties positions and arguments on the issues and sub-issues' and submit list of witness and Witness Statement by 4 January 2022. The Court has fixed the next case management on 6 January 2022 to fix the trial date.

During the case management on 17 November 2021, SESB has also informed the Court that SESB will file an appeal against the High Court's decision in striking out the SESB's claim against Dato' Mohamad Hussin bin Semail and Muhammad Faizal bin M. Hairi and will file a leave application to add Persatuan Penduduk Bukit Damar Dengkil as Third Party to the Main Suit.

SESB has then filed Notice of Appeal in Court of Appeal on 18 November 2021. The case management for the Appeal is fixed on 7 January 2022.

On 30 November 2021, SESB filed in Shah Alam High Court the Notice of Application to seek leave to add the Persatuan Penduduk Bukit Damar Dengkil as Third Party and the Affidavit in Support ("Leave Application"). The Court has fixed the case management before the Judge on 17 December 2021.

During the case management on 17 December 2021, the Court has fixed the hearing for the Leave Application on 6 January 2022 before the Judge.

Further announcement on the development of the above matter will be made to Bursa Malaysia Securities Berhad in due course.

This announcement is dated 17 December 2021.