

OTHERS ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - EXECUTION OF SERVICE AGREEMENT BETWEEN ADVANCECON SARAWAK SDN BHD, A 30% OWNED ASSOCIATE OF THE COMPANY AND PETROFAC ENGINEERING SERVICES (MALAYSIA) SDN BHD

ADVANCECON HOLDINGS BERHAD

Type	Announcement
Subject	OTHERS
Description	ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - EXECUTION OF SERVICE AGREEMENT BETWEEN ADVANCECON SARAWAK SDN BHD, A 30% OWNED ASSOCIATE OF THE COMPANY AND PETROFAC ENGINEERING SERVICES (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 23 February 2022 executed the Service Agreement with Petrofact Engineering Services (Malaysia) Sdn Bhd ("Petrofac" or "the Contractor") for the appointment of ASSB as the subcontractor to provide Early Civil Works: Earthwork and Site Preparation to Contractor for the EPC of Bintulu Additional Gas Sales Facilities-2 at the Project site of Petronas, Malaysia for the total contract sum of RM18,700,000.00 ("Contract").

The Service Agreement for the Contract shall remain valid from effective date until 5 months ("Validity Period") and ASSB to notify the mobilization date for field execution as per Service Agreement works schedule and to be agreed by Petrofac. The Validity Period shall only be extended by mutual agreement of the Parties.

The scope of work shall include the provision of all competent and experienced personnel including management and administration, supervision, all necessary goods and services, utilities, labour and supervision, material, transportation, and facilities including accommodation for subcontractor personnel, tools, equipment, consumables and all things required for the performance of work.

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 validity 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 has any interest, either direct or indirect in the Contract.

Directors' Statement

The Board of Directors, after due consideration, 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 24 February 2022.

Announcement Info

Company Name	ADVANCECON HOLDINGS BERHAD
Stock Name	ADVCON
Date Announced	24 Feb 2022
Category	General Announcement for PLC
Reference Number	GA1-24022022-00007