

OTHERS ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - ACCEPTANCE OF LETTER OF ACCEPTANCE BY SPRING ENERGY SDN. BHD., A 51% OWNED INDIRECT SUBSIDIARY OF THE COMPANY FROM CHINA COMMUNICATIONS CONSTRUCTION (ECRL) SDN BHD

ADVANCECON HOLDINGS BERHAD

Type	Announcement
Subject	OTHERS
Description	ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - ACCEPTANCE OF LETTER OF ACCEPTANCE BY SPRING ENERGY SDN. BHD., A 51% OWNED INDIRECT SUBSIDIARY OF THE COMPANY FROM CHINA COMMUNICATIONS CONSTRUCTION (ECRL) SDN BHD

Introduction

The Board of Directors of Advancecon Holdings Berhad ("Advancecon" or "the Company") is pleased to announce that Spring Energy Sdn. Bhd. ("SESB"), a 51% owned indirect subsidiary of the Company had on 25 April 2023 accepted the Letter of Acceptance ("LOA") from China Communications Construction (ECRL) Sdn Bhd for the appointment of SESB as the subcontractor for the Construction and Completion of Subgrade Earthworks within KPC Depot Station and OCC Area, Section 5 (the "Subcontract Works") for the total Subcontract sum of RM11,538,007.40 ("the Subcontract"). The Subcontract period commences on 29 April 2023 and is expected to complete in September 2023.

SESB is principally involved in the business of quarry operator and contractor in civil engineering work.

Risk Factors

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

Financial Effects

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

The Group intends to fund the Subcontract 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 Subcontract.

Directors' Statement

The Board of Directors, after due consideration, is of the opinion that the Subcontract is in the best interest of the Group. The Subcontract 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 25 April 2023.

Announcement Info	
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Stock Name	ADVCON
Date Announced	25 Apr 2023
Category	General Announcement for PLC
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