

MATERIAL LITIGATION ADVANCECON HOLDINGS BERHAD ("ADVANCECON" or the "COMPANY") NOTICE OF ADJUDICATION DATED 19 JUNE 2025 ISSUED UNDER THE SECTIONS 7 AND 8 OF THE CONSTRUCTION INDUSTRY PAYMENT AND ADJUDICATION ACT 2012 ("CIPAA") BY ITS WHOLLY-OWNED SUBSIDIARY, ADVANCECON INFRA SDN BHD ("AISB") AGAINST CHINA COMMUNICATIONS CONSTRUCTION (ECRL) SDN BHD ("CCC")

ADVANCECON HOLDINGS BERHAD

Type	Announcement
Subject	MATERIAL LITIGATION
Description	ADVANCECON HOLDINGS BERHAD ("ADVANCECON" or the "COMPANY") NOTICE OF ADJUDICATION DATED 19 JUNE 2025 ISSUED UNDER THE SECTIONS 7 AND 8 OF THE CONSTRUCTION INDUSTRY PAYMENT AND ADJUDICATION ACT 2012 ("CIPAA") BY ITS WHOLLY-OWNED SUBSIDIARY, ADVANCECON INFRA SDN BHD ("AISB") AGAINST CHINA COMMUNICATIONS CONSTRUCTION (ECRL) SDN BHD ("CCC")

The Board of Directors of Advancecon wishes to announce that on 19 June 2025, its wholly-owned subsidiary, Advancecon Infra Sdn Bhd ("**AISB**") had served a Notice of Adjudication ("**NOA**") pursuant to Sections 7 and 8 of the Construction Industry Payment and Adjudication Act 2012 ("**CIPAA**"), to China Communications Construction (ECRL) Sdn Bhd ("**CCC**").

1. Particulars of the claim

Pursuant to the NOA, AISB is seeking amongst others, the following reliefs and remedies (non-exhaustive):

- (a) The payment of the sum of RM10,170,280.00;
- (b) The interest on the adjudicated amount based on any rate and for such period as the Learned Adjudicator determines;
- (c) All costs arising from and/or in connection with this adjudication proceedings; and
- (d) Such further and other reliefs that the Learned Adjudicator deems fit.

2. Details of the circumstances leading to the filing of the NOA

This adjudication arises from the disputes concerning the project known as "Engineering, Procurement, Construction and Commissioning of the East Coast Rail Link Project Section 6 – The Construction and Completion of Subgrade, Drainage Works and Culvert Work from CH382+993 TO CH389+825". AISB was

appointed as the sub-contractor pursuant to Letter of Acceptance dated 26.8.2020 [Ref No.: CCCC/ECRL/S6/CC/L1/2020/185] (hereinafter referred to as "**the said LA**") together with the Sub-Contract dated 30.9.2020 [Ref No.: CCCC/ECRL/C06/FB/2020/049] (hereinafter referred to as "**the Sub-Contract**").

AISB has duly performed its contractual obligations by executing and completing the said works, including the variation works, in accordance with the said Contract. Notwithstanding AISB's completion of its contractual obligations, CCC has failed and/or refused to certify and/or remit the total outstanding sum to AISB as of to date.

On 12.3.2025, AISB issued a Payment Claim on the claim for the outstanding sum of RM10,170,280.00. CCC did not serve any Payment Response to AISB.

Accordingly, on 19 June 2025, AISB served the NOA dated the same to CCC seeking the reliefs and remedies as set out in Section 1 above.

3. A confirmation as to whether AISB is a major subsidiary

As of the date of this announcement, AISB is a major subsidiary of Advancecon.

4. Proposed steps to be taken in respect of the NOA

AISB has engaged legal representation, Messrs. Ben Lee & Sharen, to act for them in the Adjudication process.

Upon successful service of the NOA, AISB will proceed to register the Adjudication with the Asian International Arbitration Centre ("**AIAC**"). CCC has 10 working days from the date of receipt of the NOA to respond to the proposed Adjudicator. In the absence of the agreement or response from CCC, AISB shall make a formal request to the Director of the AIAC to appoint an adjudicator pursuant to Section 21(b)(i) of CIPAA 2012.

5. Financial and Operational Impact of the NOA on Advancecon

As the Adjudication proceeding is ongoing, the Company is not in a position to determine the outcome of the Adjudication proceeding.

Save for AISB's claim and disbursement involved in the Adjudication, the Company is not expected to have any material financial and operational impact at this point in time.

Further announcement will be made to Bursa Malaysia Securities Berhad as and when there is material development on the above matter.

This announcement is dated 19 June 2025.

Announcement Info

Company Name	ADVANCECON HOLDINGS BERHAD
Stock Name	ADVCON
Date Announced	19 Jun 2025
Category	General Announcement for PLC
Reference Number	GA1-18062025-00053