

MATERIAL LITIGATION ADVANCECON HOLDINGS BERHAD ("ADVANCECON" or the "COMPANY") UPDATE ON THE 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 ADJUDICATION")

ADVANCECON HOLDINGS BERHAD

Type	Announcement
Subject	MATERIAL LITIGATION
Description	ADVANCECON HOLDINGS BERHAD ("ADVANCECON" or the "COMPANY") UPDATE ON THE 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 ADJUDICATION")

Reference is made to the Company's announcements made on 19 June 2025 and 5 August 2025 ("**Earlier Announcements**") in respect of the Notice of Adjudication under the Construction Industry Payment and Adjudication Act 2012 ("**CIPAA 2012**") by AISB. Unless otherwise defined, all terms and definitions used herein shall have the same meaning ascribed to them in the Earlier Announcements.

For clarity, this announcement is in relation to Letter of Acceptance (Ref No.: CCCC/ECRL/S6/CC/L1/2020/185) and Subcontract (Ref No.: CCCC/ECRL/C06/FB/2020/049).

The Board of Directors of Advancecon wishes to announce that AISB has received an Adjudication Decision dated 6 October 2025 Ref No: AIAC/D/ADJ-6023-2025 ("**Adjudication Decision**"). The Adjudicator has determined and delivered his decision in favour of AISB, salient terms of the Adjudication Decision are as follows:

- (i) The Adjudicator has allowed AISB's claim and ordered CCC to pay AISB the adjudicated sum of RM7,039,243.73 within 28 days from the date of the Adjudication Decision;
- (ii) CCC is further ordered to bear the costs of the adjudication proceedings amounting to RM361,508.20, comprising:
 - (a) Adjudicator's fees and expenses – RM50,006.20;
 - (b) AIAC administrative fees – RM10,800.00;
 - (c) Cost of registration and appointment of the Adjudicator – RM702.00; and
 - (d) AISB's costs – RM300,000.00;
- (iii) The costs under items (ii)(a) and (ii)(b) shall be off-set from the Security in Advance, and any balance of the Security in Advance, if any, will be refunded by AIAC to the relevant party;
- (iv) CCC shall reimburse AISB the Security in Advance of RM30,900.00 paid to AIAC within 28 days from the date of the Adjudication Decision;
- (v) CCC shall pay AISB the costs of RM300,702.00 within 28 days from the date of the Adjudication Decision; and

Decision, and

(vi) In the event of default, CCC shall be liable to pay interest at the rate of 5% per annum on the outstanding amount of RM7,370,845.73 or any balance thereof, from the due date until full and final settlement.

The Adjudication Decision is binding unless and until it is set aside by the High Court in accordance with CIPAA 2012.

The Adjudication Decision is not expected to have any material impact on the earnings and cash flows of Advancecon and its subsidiaries for the financial year ending 31 December 2025.

The Company will make further announcements on any material developments relating to the Adjudication Decision as and when necessary, in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This announcement is dated 7 October 2025.

Announcement Info	
Company Name	ADVANCECON HOLDINGS BERHAD
Stock Name	ADVCON
Date Announced	07 Oct 2025
Category	General Announcement for PLC
Reference Number	GA1-07102025-00024