

OTHERS ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - LETTER OF AWARD FROM ADVANCECON (SARAWAK) SDN BHD TO ADVANCECON INFRA SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

ADVANCECON HOLDINGS BERHAD

Type	Announcement
Subject	OTHERS
Description	ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - LETTER OF AWARD FROM ADVANCECON (SARAWAK) SDN BHD TO ADVANCECON INFRA SDN BHD, A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

Introduction

The Board of Directors of Advancecon Holdings Berhad ("Advancecon" or the "Company") is pleased to announce that Advancecon Infra Sdn Bhd ("AISB"), a wholly-owned subsidiary of the Company had on 8 October 2019 received and accepted the Letter of Award ("LOA") from Advancecon (Sarawak) Sdn Bhd ("ASSB"), an associated company of Advancecon for the appointment of AISB as the sub-contractor for the Upper Rajang Development Agency (URDA) Package 2: Road Infrastructure Projects In Pelagus/Baleh, proposed new road from Baleh Bridge / Rh. Belaja, Ng. Benin / Sk. Ng. Pelagus / Pelagus Resort (Phase 1 – Section 2), for the total sub-contract sum of RM49,384,306.65 ("the Contract").

Pursuant to the Contract, the scope of works is including but not limited to the following:-

1. Soil Investigation Work;
2. Piling Work;
3. Geotechnical Work;
4. Environment Protection and Enhancement;
5. Traffic Management and Control;
6. Demolition and Site Clearance;
7. Earthwork;
8. Drainage Work;
9. Road and Pavings; and
10. Bridge Work.

The contract period shall be for a period of 29 months commencing from 19 October 2019 and shall be completed by 18 March 2022 or any extension of time granted.

AISB is principally involved in the business of providing earthworks and civil engineering services.

Risk Factors

There are no foreseeable significant risks other than operational risk associated with the Contract during the contract 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 or Substantial Shareholders of Advancecon or persons connected to them has any interest, 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.

This announcement is dated 9 October 2019.

Announcement Info

Company Name	ADVANCECON HOLDINGS BERHAD
Stock Name	ADVCON
Date Announced	09 Oct 2019
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