

MATERIAL LITIGATION ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - In the High Court of Malaya at Shah Alam Civil Suit No. BA-22C-50-11/2018 Advancecon Infra Sdn Bhd ("Advancecon Infra" or "the Plaintiff") vs Infra Tech Projects Malaysia Sdn Bhd ("Infra Tech" or "the Defendant")

ADVANCECON HOLDINGS BERHAD

Type	Announcement
Subject	MATERIAL LITIGATION
Description	ADVANCECON HOLDINGS BERHAD ("ADVANCECON" OR "THE COMPANY") - In the High Court of Malaya at Shah Alam Civil Suit No. BA-22C-50-11/2018 Advancecon Infra Sdn Bhd ("Advancecon Infra" or "the Plaintiff") vs Infra Tech Projects Malaysia Sdn Bhd ("Infra Tech" or "the Defendant")

Pursuant to paragraph 9.04(f) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, the Board of Directors of Advancecon Holdings Berhad ("Advancecon" or "the Company") wishes to announce that Advancecon Infra Sdn Bhd, a wholly-owned subsidiary of the Company ("Advancecon Infra" or "the Plaintiff") through its solicitors, Messrs Arthur Wang, Lian & Associates had on 9 November 2018 filed and served a sealed copy of the Writ of Summons together with the Statement of Claim, both dated 2 November 2018 against Infra Tech Projects Malaysia Sdn Bhd (Company No. 654784-A)("Infra Tech" or "the Defendant").

Please refer to the attachment for further details.

This announcement is dated 9 November 2018.

Please refer attachment below.

Attachments

Advcon - Material Litigation.pdf
119.4 kB

Announcement Info

Company Name	ADVANCECON HOLDINGS BERHAD
Stock Name	ADVCON
Date Announced	09 Nov 2018
Category	General Announcement for PLC
Reference Number	GA1-09112018-00063

Date 9 November 2018
Type Announcement
Subject MATERIAL LITIGATION
Description ADVANCECON HOLDINGS BERHAD (“ADVANCECON” OR “THE COMPANY”)
In the High Court of Malaya at Shah Alam Civil Suit No. BA-22C-50-11/2018
Advancecon Infra Sdn Bhd (“Advancecon Infra” or “the Plaintiff”) vs Infra Tech
Projects Malaysia Sdn Bhd (“Infra Tech” or “the Defendant”)

1. Date of Service of the Writ of Summons and Statement of Claim

Pursuant to paragraph 9.04(f) of the Main Market Listing Requirement of Bursa Malaysia Securities Berhad, the Board of Directors of Advancecon Holdings Berhad (“Advancecon” or “the Company”) wishes to announce that Advancecon Infra Sdn Bhd, a wholly-owned subsidiary of the Company (“Advancecon Infra” or “the Plaintiff”) through its solicitors, Messrs Arthur Wang, Lian & Associates had on 9 November 2018 filed and served a sealed copy of the Writ of Summons together with the Statement of Claim, both dated 2 November 2018 against Infra Tech Projects Malaysia Sdn Bhd (Company No. 654784-A)(“Infra Tech” or “the Defendant”).

2. Details of the circumstances leading to the filing of Writ of Summons and Statement of Claim against Infra Tech

The filing of the Writ of Summons together with the Statement of Claim arises from Advancecon Infra’s claim for damage and losses suffered due to Infra Tech’s engagement as a sub-contractor by the Plaintiff under 3 Letters of Award dated 20 January 2017 and 7 February 2017 (“Letters of Award”) respectively for the Project known as “Phase 1 Earthwork for Cadangan Serah Balik and Bermilik Semula Dibawah Sekysen 204D Kanun Tanah Negara Untuk Pembangunan Bercampur Perumahan Dan Perniagaan, Di Atas PT8 (H.S.(D) 22218), PT 9 (H.S.(D) 22219) Dan PT20090 (H.S.(D) 244038), Mukim Bukit Raja, Daerah Petaling, Seksyen U12, Shah Alam, Selangor Darul Ehsan (“BS49 Project”) which was awarded to Infra Tech.

Due to the alleged breach of the Letters of Award by the Defendant, the Plaintiff is claiming for the following:-

- i) A declaration that the Defendant has breached the terms and conditions of all the 3 Letters of Award under the BS49 Project;
- ii) A declaration that the Plaintiff was allowed to make deductions and set off from payments to the Defendant under all the 3 Letters of Award under the BS49 Project;
- iii) A declaration that the Plaintiff has the right to deduct/set off the total sum amounting to RM1,417,174.75 for the 3 Payment Certificates No. 5, 6 and 7 that are payable to the Defendant by the Plaintiff;
- iv) The sum of RM1,052,157.69 being the total outstanding balance remedial costs incurred due to the slope failures at HIEDYC and PVD Group Improvement at Show Village Area (“KTA2 Area”) and CDYC, PVD and Geogrid Ground Improvement at Phase 1&2 Slope Area (“KTA1 Area”);

- v) Interests on the sum of RM1,052,157.69 at the rate of 5% per annum from the date of this judgment until the date of full and final settlement;
- vi) Costs on a solicitor and client basis; and
- vii) Such further or other relief as deemed fit by this Honourable Court.

The first case management has been fixed on 12 December 2018 at 9.00 a.m.

3. The financial and operational impact of the Writ of Summons and Statement of Claim on the Group

As of the date of this announcement, there is no material financial and operation impact to the Group.

4. Expected losses, if any, arising from the Writ of Summons and Statement of Claims

The Company does not expect to incur any losses arising from the Writ of Summons and Statement of Claim, save for the legal fees that may be incurred in relation to legal representation for the Company.

The Company will make further announcement on the developments of the above matter from time to time.

This announcement is dated 9 November 2018.