ADVANCECON

MEDIA CLIPPING

Client :	**Advancecon Holdings Berhad**	**Date :**	**21 September 2021**
Media :	**Bernama (Online)**	**Section :**	**Business**
Language :	**English**		

Advancecon bids for projects worth RM1.7 bln

KUALA LUMPUR, Sept 21 -- Advancecon Holdings Bhd is tendering for RM1.7 billion worth of projects, comprising earthworks and civil engineering works for infrastructure, residential, and commercial developments in Peninsular Malaysia, Sabah, and Sarawak.

The earthworks and civil engineering services specialist said the potential new wins arising from the tenders would add to the group's outstanding order book of RM748.5 million, of which 32.0 per cent of it comprised works for Sarawak-based projects, including Pan Borneo Highway Sarawak, new roads under Upper Rajang Development Agency and Wenan Steel's iron and steel production complex.

"Other undertakings in the group's order book are works for the West Coast Expressway (31.1 per cent), the East Coast Rail Link (ECRL) which makes up 23.8 per cent, and other residential and infrastructure projects that contribute the balance of 13.0 per cent," it said in a statement today.

Group chief executive officer Datuk Phum Ang Kia said the company is well-positioned for the upcoming tenders, as it has proven capabilities in undertaking large-scale earthworks and civil engineering works for various infrastructure and commercial developments.

"We believe the government's upcoming tabling of the 12th Malaysia Plan and Budget 2022 would further boost the outlook of Malaysia's construction sector, especially in the infrastructure segment," he said.

-- BERNAMA

Client :	**Advancecon Holdings Berhad**	**Date :**	**21 September 2021**
Media :	**The Edge Markets (Online)**	**Section :**	**Business**
Language :	**English**		

Advancecon bids for RM1.7b worth of jobs; 2QFY21 y-o-y losses narrow to RM2.5m

KUALA LUMPUR (Sept 21): Advancecon Holdings Bhd is tendering for RM1.7 billion worth of projects to bolster its order book.

In a statement, the earthworks and civil engineering services specialist said it is bidding to undertake earthworks and civil engineering works for infrastructure, residential and commercial developments in Peninsular and East Malaysia.

"The potential new wins arising from the tenders would add to the group's outstanding order book of RM748.5 million, of which RM239.8 million or 32.0% comprises works for Sarawak-based projects including Pan Borneo Highway Sarawak, new roads under Upper Rajang Development Agency and Wenan Steel's iron and steel production complex," it said.

Other undertakings in the group's order book are works for West Coast Expressway which constitute RM232.9 million or 31.1%, East Coast Rail Link which makes up RM23.8 million or 23.8%, and other residential and infrastructure projects that contribute to the balance RM97.4 million or 13%.

Advancecon group chief executive officer Datuk Phum Ang Kia said more than 70% of its overall workforce in Peninsular and East Malaysia had received two doses of the Covid-19 vaccine as of July 31, 2021, allowing the group to operate at full capacity for all 16 ongoing projects.

"We believe that the government's upcoming tabling of the 12th Malaysia Plan and Budget 2022 would further boost the outlook of Malaysia's construction sector, especially in the infrastructure segment. We are well positioned in upcoming tenders, as we have proven capabilities in undertaking large-scale earthworks and civil engineering works for various infrastructure and commercial developments," said Phum.

With the nation's economy reopened and vaccination rates gradually increasing, Phum remains optimistic about the group's prospects and is hopeful of securing more projects for the financial year ending Dec 31, 2021.

Group saw smaller y-o-y net loss in 2QFY21, but sank into the red compared to 1QFY21 as construction activities faced disruption due to lockdown measures, increased costs

Also today, the group announced separately that it narrowed its net loss to RM2.5 million in the second quarter ended June 30, 2021 (2QFY21) compared to RM6.86 million a year ago, supported by higher revenue.

Revenue for the quarter rose 57.66% year-on-year (y-o-y) to RM60.09 million from RM38.11 million, lifted by higher progress billings from ongoing construction projects and support services.

However, both earnings and top line fell on a quarterly basis.

Its revenue fell 7.67% quarter-on-quarter (q-o-q) from RM65.08 million recorded in 1QFY21 on the back of a net profit of 1.08 million.

It said lower q-o-q revenue was due to lower productivity as critical projects approved by the Ministry of International Trade and Industry were only allowed to operate at 60% workforce.

It blamed the 2QFY21 results on increase in budgeted construction cost, dragged by additional operational costs due to the extension of time for Pan Borneo Highway for Sarawak section, increase in construction material prices such as steel bars by 50% and diesel cost by 25% for West Coast Expressway Section 1 and West Coast Expressway Section 7A as well as legal costs and expenses to secure new financing facilities.

For the first half ended June 30, 2021 (1HFY21), Advancecon registered a cumulative net loss of RM1.4 million versus a net loss of RM4.7 million in the corresponding period a year ago.

Cumulative six-month revenue increased 19.85% to RM125.2 million from RM104.43 million in the previous January-to-June period. Construction and support services made up RM123.5 million or 98.7% of revenue in 1HFY21, green energy segment contributed RM1.4 million or 1.1%, and property investment segment contributed RM297,000 or 0.2%.

Speaking on future prospects, Phum said that the group's proposed acquisition of 51% stake of Spring Energy underscores its goal of harnessing synergies and enhancing its competitiveness in the earthworks and civil engineering sector, particularly in capturing future sector opportunities.

"Furthermore, we are making good progress in cementing our renewable energy venture," he added.

"Both these developments would form part of our recurring income stream, to complement our construction-related earnings," he concluded.

Advancecon's share price closed down one sen or 2.99% to 32.5 sen, for a market capitalisation of RM139 million.

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Client :	**Advancecon Holdings Berhad**	**Date :**	**21 September 2021**
Media :	**The Malaysian Reserve (Online)**	**Section :**	**Business**
Language :	**English**		

CORP BRIEF: Sapura, Advancecon, CEKD, MR DIY and Tanco

Advancecon bids for RM1.7b projects

ADVANCECON Holdings Bhd is tendering for RM1.7 billion worth of projects, comprising earthworks and civil engineering works for infrastructure, residential and commercial developments nationwide. In a statement yesterday, the company said the potential new wins arising from the tenders would add to the group's outstanding orderbook of RM748.5 million, of which 32% of it comprised works for Sarawak-based projects, including Pan Borneo Highway Sarawak, new roads under Upper Rajang Development Agency and Wenan Steel's iron and steel production complex.

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Client :	Advancecon Holdings Berhad	Date :	21 September 2021
Media :	New Straits Times (Online)	Section :	Business
Language :	English		

Advancecon Holdings narrowed net loss to RM2.5mil for Q2

KUALA LUMPUR: Advancecon Holdings Bhd's net loss narrowed to RM2.5 million in the second quarter (Q2) ended June 30, 2021, from a net loss of RM6.86 million recorded in the same quarter a year ago.

Revenue in the same quarter increased 57.6 per cent to RM60.09 million from RM38.11 million.

In a filing to Bursa Malaysia today, the company said the increase in revenue was mainly attributable to higher progress billings from its ongoing construction projects and support services.

"Construction and support services segment contributed about 98.6 per cent of the group's revenue, and green energy segment contributed about 1.1 per cent of the group's revenue, at RM 123.5 million and RM 1.4 million respectively.

"As compared to the preceding year corresponding quarter, the construction and support services segment contributed almost 100 per cent of the group's revenue, at RM 104.1 million, and in the absence of revenue from the green energy segment.

"The balance of revenue was derived from property investment segment," it said.

For the first half, Advancecon's net loss narrowed to RM1.42 million from a net loss of RM4.67 million, while revenue increased 19.8 per cent to RM125.16 million from RM104.43 million.

Advancecon expects the construction sector will improve in line with the National Covid-19 Immunisation Programme along with the National Recovery Plan (NRP), and 75.4 per cent of its staff have been fully vaccinated.

"The government announced on August 15, 2021, that the construction industry under Phase 1 of the NRP can begin operations based on a certain percentage of fully vaccinated staff.

"Based on our current rate of vaccination, we are allowed to operate at full capacity," it said.

Besides that, Advancecon will continue to focus on its green energy segment, particularly in executing its Large Scale Solar 4 (LSS4) project.

"Completion of the LSS4 project is expected to contribute positively to the group's profit at the end of 2023," it said.

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