MEDIA CLIPPING

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

Advancecon aims for RM1 bil order book

KUALA LUMPUR (May 21): Advancecon Holdings Bhd is aiming for a construction order book of RM1 billion in light of ongoing tenders for earthworks and civil engineering works for infrastructure projects in Sabah and Sarawak.

The Selangor-headquartered company said it has substantial manpower and machinery fleet in Sarawak which was currently undertaking earthworks and civil engineering works for the Pan Borneo Highway Sarawak, two roadworks contracts under the Upper Rajang Development Agency, and an iron and steel production complex for Wenan Steel in the Samalaju Industrial Park.

Group chief executive officer Datuk Phum Ang Kia said Advancecon had steadily reinforced its portfolio in undertaking projects to support the infrastructure and development space in Sabah and Sarawak.

“The most recent contract win for Wenan Steel, which is the group’s single-largest earthworks undertaking, indicates the scale of projects and the potential growth there.

"This track record augurs well for our tender prospects in East Malaysia, which accounts for around 60 to 70% of our tender book and includes Pan Borneo Sabah packages," he said in a statement today.

Phum said along with other ongoing bids for the East Coast Rail Link (ECRL) and Public Works Department projects, Advancecon was optimistic about its prospects and targeted an RM1 billion outstanding order book from RM811.6 million as on March 31, 2021.

Apart from the projects in Sarawak, Advancecon's order book includes major infrastructure projects of West Coast Expressway, ECRL, as well as property developments including Setia Alamsari and Bandar Bukit Raja 2 in Klang, Selangor.

Meanwhile, Advancecon today announced a lower net profit of RM1.08 million for the first quarter (1Q) ended March 31, 2021, compared with RM2.18 million a year earlier due to the smaller gross profit margin in construction projects during the period as well as lower machinery utilisation.

The group recorded revenue of RM65.08 million in the quarter, down from RM66.32 million in the corresponding quarter of 2020.

Of the revenue, it said RM63.5 million was from the construction and support services segment while the solar energy segment reported revenue of RM1.4 million.

The balance was derived from property investment, it said.

In March this year, Advancecon was selected as one of the successful bidders for the large-scale solar (LSS4) programme by the Energy Commission of Malaysia.

The group will undertake the development of a large-scale solar photovoltaic plant with a generation capacity of 26 megawatts in Kuala Langat, Selangor.

According to Advancecon, commercial operations for the plant are expected to start by 2023.

At the same time, the group recently began power purchase agreements (PPA) with Oon Corp Resources (M) Sdn Bhd after completing solar installations, and is making progress for solar installations on the premises of Prominent Image Sdn Bhd and Jemco Sdn Bhd.

"In 1Q, we recorded a second consecutive quarter of revenue contribution from our solar energy segment.

"Keeping in mind the progress of our PPA and the upcoming works for the LSS4, we expect firmer earnings from this segment going forward," Phum said.

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

Advancecon aims RM1.0bil orderbook

KUALA LUMPUR: Earthworks and civil engineering services specialist Advancecon Holdings Bhd is aiming for a construction orderbook of RM1 billion, in light of ongoing tenders for earthworks and civil engineering works for infrastructure projects in Sabah and Sarawak.

Advancecon said it had substantial manpower and machinery fleet in Sarawak, undertaking earthworks and civil engineering works for Pan Borneo Highway Sarawak, new roads in Sarawak under the Upper Rajang Development Agency, and an iron and steel production complex for Wenan Steel in Samalaju Industrial Park.

Chief executive officer Datuk Phum Ang Kia said it had steadily reinforced its portfolio in undertaking projects to support the infrastructure and development space there.

"The most recent contract win for Wenan Steel, which is the group's single-largest earthworks undertaking, indicates the scale of projects and the potential growth there.

"This track record augurs well for our tender prospects in East Malaysia, which accounts for around 60-70 per cent of our tenderbook and includes Pan Borneo Sabah packages," Phum said in a statement today.

Along with other ongoing bids for East Coast Rail Link (ECRL) projects and Jabatan Kerja Raya works, Advancecon is optimistic of its prospects.

"We are targeting RM1 billion outstanding order book, from RM811.6 million as at March 31 2021," Phum said.

Apart from the projects in Sarawak, Advancecon's RM811.6 million orderbook includes major infrastructure projects of West Coast Expressway, ECRL, as well as property developments including Setia Alamsari and Bandar Bukit Raja 2 in Klang.

Advancecon recorded stable revenue of RM65.1 million in the first quarter (Q1) of 2021, of which RM63.5 million was from the construction and support services segment, while the solar energy segment reported revenue of RM1.4 million.

The balance was derived from property investment.

Comparatively, it reported revenue of RM66.3 million in the previous year's corresponding quarter.

However, its Q1 net profit dropped 50.5 per cent to RM1.1 million from RM2.2 million previously on lower utilisation of machinery, as well as higher margin construction projects undertaken in the previous corresponding quarter compared with Q1 2021.

In March 2021, Advancecon was selected as one of the successful bidders for the LSS4 programme by the Energy Commission of Malaysia.

The company will undertake the development of a large scale solar photovoltaic plant with generation capacity of 26 megawatts.

Commercial operations for the plant are expected to commence by 2023.

The company recently commenced the power purchase agreements with Oon Corp Resources (M) Sdn Bhd after completing the solar installations, and is making progress for the solar installations on the premises of Prominent Image Sdn Bhd and Jemco Sdn Bhd.

MEDIA CLIPPING

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

Advancecon aims for RM1 bln orderbook

Advancecon Holdings Bhd

KUALA LUMPUR, May 21 -- Advancecon Holdings Bhd is aiming for a construction orderbook of RM1 billion in light of ongoing tenders for earthworks and civil engineering works for infrastructure projects in East Malaysia.

The Selangor-headquartered company said it had substantial manpower and machinery fleet in Sarawak which was currently undertaking earthworks and civil engineering works for the Pan Borneo Highway Sarawak, two roadworks contracts under the Upper Rajang Development Agency, and an iron and steel production complex for Wenan Steel in the Samalaju Industrial Park.

Group chief executive officer Datuk Phum Ang Kia said Advancecon had steadily reinforced its portfolio in undertaking projects to support the infrastructure and development space in East Malaysia.

“The most recent contract win for Wenan Steel, which is the group’s single-largest earthworks undertaking, indicates the scale of projects and the potential growth there.

“This track record augurs well for our tender prospects in East Malaysia, which accounts for around 60 to 70 per cent of our tenderbook and includes Pan Borneo Sabah packages,” he said in a statement today.

Phum said along with other ongoing bids for the East Coast Rail Link (ECRL) and Public Works Department projects, Advancecon was optimistic about its prospects and targeted a RM1 billion outstanding order book from RM811.6 million as at March 31, 2021.

Apart from the projects in Sarawak, Advancecon’s order book includes major infrastructure projects of West Coast Expressway, ECRL, as well as property developments including Setia Alamsari and Bandar Bukit Raja 2 in Klang, Selangor.

Meanwhile, Advancecon today announced a lower net pro□t of RM1.08 million for the first quarter (Q1) ended March 31, 2021, compared with RM2.18 million a year earlier due to the smaller gross profit margin in construction projects during the period as well as lower machinery utilisation.

The group recorded revenue of RM65.08 million in the quarter, down from RM66.32 million in the corresponding quarter of 2020.

Of the revenue, it said RM63.5 million was from the construction and support services segment while the solar energy segment reported revenue of RM1.4 million.

The balance was derived from property investment, it said.

In March this year, Advancecon was selected as one of the successful bidders for the large-scale solar (LSS4) programme by the Energy Commission of Malaysia.

The group will undertake the development of a large-scale solar photovoltaic plant with a generation capacity of 26 megawatts in Kuala Langat, Selangor.

According to Advancecon, commercial operations for the plant are expected to start by 2023.

At the same time, the group recently began power purchase agreements (PPA) with Oon Corp Resources (M) Sdn Bhd after completing solar installations, and is making progress for solar installations on the premises of Prominent Image Sdn Bhd and Jemco Sdn Bhd.

“In Q1, we recorded a second consecutive quarter of revenue contribution from our solar energy segment.

“Keeping in mind the progress of our PPA and the upcoming works for the LSS4, we expect firmer earnings from this segment going forward,” Phum said.

-- BERNAMA

MEDIA CLIPPING

Client :	Advancecon Holdings Berhad	Date :	21 May 2021
Media :	Bernama (Online)	Section :	Business
Language :	Malay		

Advancecon sasar nilai kontrak RM1 bilion Advancecon Holdings

Advancecon Holdings Bhd

KUALA LUMPUR, 21 Mei -- Advancecon Holdings Bhd (Advancecon) mensasarkan nilai perolehan kontrak pembinaan sebanyak RM1 bilion berdasarkan tender yang sedang berjalan untuk kerja-kerja tanah dan kejuruteraan awam untuk projek infrastruktur di Sabah dan Sarawak.

Syarikat yang beribu pejabat di Selangor itu berkata ia mempunyai jumlah tenaga kerja dan jentera yang mencukupi di Sarawak yang kini menjalankan kerja-kerja kerja tanah dan kejuruteraan awam untuk Lebuhraya Pan Borneo Sarawak, dua kontrak kerja-kerja pembinaan jalan di bawah Agensi Pembangunan Upper Rajang (URDA) dan sebuah kompleks pengeluaran besi dan keluli untuk Wenan Keluli di Taman Perindustrian Samalaju.

Ketua Pegawai Eksekutif Kumpulan, Datuk Phum Ang Kia berkata Advancecon telah terus memperkukuhkan portfolionya dalam melaksanakan projek untuk menyokong infrastruktur dan ruang pembangunan di Sabah dan Sarawak.

"Perolehan kontrak terbaharu Advancecon adalah Wenan Steel, ia merupakan kerja-kerja tanah terbesar kumpulan, menunjukkan skala projek dan potensi pertumbuhan di sana.

"Rekod prestasi ini adalah baik untuk prospek tender kami di Sabah dan Sarawak yang merangkumi sekitar 60 hingga 70 peratus tender kami dan ia juga merangkumi pakej Pan Borneo Sabah," katanya dalam satu kenyataan hari ini.

Phum berkata bersama dengan bidaan lain yang sedang berjalan untuk projek Laluan Rel Pantai Timur (ECRL) dan projek Jabatan Kerja Raya (JKR), Advancecon optimis terhadap prospeknya dan mensasarkan nilai kontrak tertangguh sebanyak RM1 bilion daripada RM811.6 juta pada 31 Mac, 2021.

Selain daripada projek di Sarawak, nilai perolehan kontrak Advancecon merangkumi projek infrastruktur utama Lebuhraya Pantai Barat, ECRL, serta pembangunan hartanah termasuk Setia Alamsari dan Bandar Bukit Raja 2 di Klang, Selangor.

Sementara itu, Advancecon hari ini mengumumkan keuntungan bersih yang lebih rendah sebanyak RM1.08 juta untuk suku pertama yang berakhir pada 31 Mac, 2021, berbanding RM2.18 juta pada tahun sebelumnya kerana margin keuntungan kasar yang lebih kecil dalam projek pembinaan dalam tempoh tersebut serta penggunaan jentera yang lebih rendah.
Kumpulan ini mencatatkan pendapatan sebanyak RM65.08 juta pada suku tersebut, turun daripada RM66.32 juta pada suku yang sama dicatatkan pada tahun 2020.

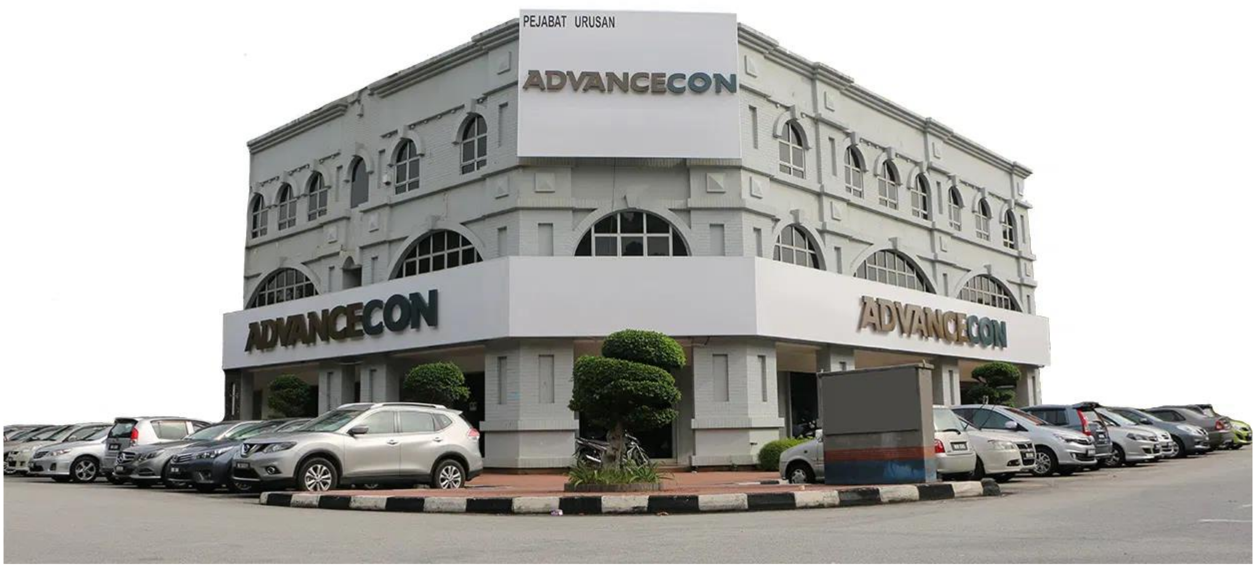
Ia berkata sebanyak RM63.5 juta daripada pendapatan itu adalah daripada segmen perkhidmatan pembinaan dan sokongan manakala segmen tenaga solar merekodkan pendapatan sebanyak RM1.4 juta.

Bakinya diperoleh daripada pelaburan hartanah, katanya.

-- BERNAMA

Client :	Advancecon Holdings Berhad	Date :	22 May 2021
Media :	Business Today (Online)	Section :	Business
Language :	English		

Advancecon Holdings Aims For A Construction Orderbook Of RM1 billion In East Malaysia



Earthworks and civil engineering services specialist Advancecon Holdings Berhad is aiming for a construction orderbook of RM1 billion, in light of ongoing tenders for earthworks and civil engineering works for infrastructure projects in East Malaysia.

Advancecon has substantial manpower and machinery fleet in Sarawak, which are currently undertaking earthworks and civil engineering works for Pan Borneo Highway Sarawak, new roads in Sarawak under the Upper Rajang Development Agency, and an iron and steel production complex for Wenan Steel in Samalaju Industrial Park.

Phum Ang Kia, Group Chief Executive Officer of Advancecon Holdings Berhad said, “We are steadily reinforcing our portfolio in undertaking projects to support the infrastructure and development space in East Malaysia. The most recent contract win for Wenan Steel, which is the Group’s single-largest earthworks undertaking, indicates the scale of projects and the potential growth there.

This track record augurs well for our tender prospects in East Malaysia, which accounts for around 60-70% of our tenderbook and includes Pan Borneo Sabah packages. Along with other ongoing bids for East Coast Rail Link (ECRL) projects and Jabatan Kerja Raya works, we are optimistic of our prospects and are targeting RM1 billion outstanding order book, from RM811.6 million as at 31 March 2021.

Simultaneously, economic activities being allowed to operate throughout the current Movement Control Order would help us improve our machinery utilisation rate to around 80% across Peninsular and East Malaysia. This would ensure fewer disruptions in the progress of projects and financial performance."

Apart from the projects in Sarawak, Advancecon's RM811.6 million orderbook as at March 31 includes major infrastructure projects of West Coast Expressway, ECRL, as well as property developments including Setia Alamsari and Bandar Bukit Raja 2.

Advancecon recorded stable revenue of RM65.1 million in 1Q21, of which RM63.5 million was from the construction and support services segment, while the solar energy segment reported revenue of RM1.4 million. The balance was derived from property investment. Comparatively, the Group reported revenue of RM66.3 million in the previous year's corresponding quarter.

However, 1Q21 net profit decreased 50.5% to RM1.1 million in 1Q21 from RM2.2 million previously on lower utilisation of machinery, as well as higher margin construction projects undertaken in the previous corresponding quarter compared with 1Q21.

In March 2021, Advancecon was selected as one of the successful bidders for the LSS4 programme by the Energy Commission of Malaysia. The Group will undertake the development of a large scale solar photovoltaic plant with generation capacity of 26 megawatts. Commercial operations for the plant are expected to commence by 2023, with positive contributions to the Group's earnings expected thereafter.

At the same time, the Group recently commenced the Power Purchase Agreements (PPA) with Oon Corp Resources (M) Sdn Bhd after completing the solar installations, and are making progress for the solar installations on the premises of Prominent Image Sdn Bhd and Jemco Sdn Bhd.

On the Group's solar segment, Phum said, "In 1Q21, we recorded our second consecutive quarter of revenue contribution from our solar energy segment. Keeping in mind the progress of our PPA agreements and the upcoming works for the LSS4, we expect to recognise firmer earnings from this segment going forward."

MEDIA CLIPPING

Client :	**Advancecon Holdings Berhad**	**Date :**	**23 May 2021**
Media :	**Nanyang Siang Pau (Online)**	**Section :**	**Business**
Language :	**Chinese**		

"Advancecon's 1Q21 net profit halved"

前进控股首季净利减半

（吉隆坡22日讯）前进控股（ADVCON，5281，主板建筑股）2021财年首季，净利按年大跌近一半，至110万令吉，归咎于机械使用率低，及上财年同季项目赚幅较高。

该公司向交易所报备，首季营业额持稳在6510万令吉，主要功臣是建筑和支援服务业。

根据文告，上财年同季该公司营业额为6630万令吉，且净赚220万令吉。

同时，该公司正竞标着更多土木工程基建项目，放眼将建筑未完成订单提高至10亿令。

截至3月底，未完成订单总值为8亿1160万令吉。

前进控股集团总执行长拿督潘红补充，现有竞标中合约，东马项目占高达60%到70%，包括沙巴泛婆罗洲高速公路项目配套。

"加上其他正竞标着的东铁（ECRL）和大马公共工程局工程，我们对未来展望有信心。"

MEDIA CLIPPING

Client :	Advancecon Holdings Berhad	Date :	23 May 2021
Media :	The Borneo Post (Online)	Section :	Business
Language :	English		

Advancecon aims for more infrastructure jobs in East M'sia

KUCHING: Earthworks and civil engineering services specialist Advancecon Holdings Bhd (Advancecon) is aiming for a construction orderbook of RM1 billion, in light of ongoing tenders for earthworks and civil engineering works for infrastructure projects in East Malaysia.

Advancecon has substantial manpower and machinery fleet in Sarawak, which are currently undertaking earthworks and civil engineering works for Pan Borneo Highway Sarawak, new roads in Sarawak under the Upper Rajang Development Agency, and an iron and steel production complex for Wenan Steel in Samalaju Industrial Park.

"We are steadily reinforcing our portfolio in undertaking projects to support the infrastructure and development space in East Malaysia," Advancecon group chief executive officer Datuk Phum Ang Kia said.

"The most recent contract win for Wenan Steel, which is the group's single-largest earthworks undertaking, indicates the scale of projects and the potential growth there.

"This track record augurs well for our tender prospects in East Malaysia, which accounts for around 60 to 70 per cent of our tenderbook and includes Pan Borneo Sabah packages.

"Along with other ongoing bids for East Coast Rail Link (ECRL) projects and Jabatan Kerja Raya works, we are optimistic of our prospects and are targeting RM1 billion outstanding order book, from RM811.6 million as at March 31, 2021.

"Simultaneously, economic activities being allowed to operate throughout the current Movement Control Order would help us improve our machinery utilisation rate to around 80 per cent across Peninsular and East Malaysia. This would ensure fewer disruptions in the progress of projects and financial performance."

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The balance was derived from property investment. Comparatively, the group reported revenue of RM66.3 million in the previous year's corresponding quarter.

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MEDIA CLIPPING

Client :	Advancecon Holdings Berhad	Date :	24 May 2021
Media :	Starbiz (Online)	Section :	Business
Language :	English		

RHB maintains 'buy' on Advancecon

KUALA LUMPUR: Advancecon Bhd is gearing up to meet a higher completion target this year, which should further strengthen income visibility, following disappointing first-quarter earnings, says RHB Research.

The research house remains bullish on Advancecon with expectations of ongoing activity throughout MCO3.0 as construction is classified as an essential service.

In subsequent quarters, further support for earnings is expected to come from the execution of the group's remaining construction orders worth RM812mil.

Reiterating its "buy" call, RHB said current valuations remain attractive and maintained its projections for now pending a meet-up with management next week.

"We partly derived our TP by pegging FY22F EPS to 12x P/E.

"The multiple represents its 5-year mean baseline – which is warranted, as it has a healthy replenishment rate assumption of MYR300m and MYR350m per year for FY21 and FY22.

"We also imputed the LSS4 project win into our valuation (worth MYR0.05, assuming a WACC of 4.9%)," said RHB.

Advancecon announced last Friday that 1Q21 core earnings of RM600,000 after excluding extraordinary items came to only 4% of RHB's and consensus full-year estimates.

The group's operating margin contracted 1.7 percentage points from the same period last year to 5.7%, due also to the lower machine utilisation rate as its client was waiting for approval on a project from authorities.

Its green division recorded a RM10,000 profit as compared to RM10,000 loss in 1Q20 due to construction revenue from solar projects.

"Management expects this segment to provide a recurring income stream that will complement its core business and civil engineering unit.

"Over the next 21 years, ADVC aims to book at least c. MYR1m in net profit from this segment.

"Note that the recent win of its large-scale solar (LSS4) project has the potential to boost net profit by 13% YoY in FY24F," it said.