

MEDIA CLIPPING

Client :	Advancecon Holdings Berhad	Date :	26 October 2022
Media :	EdgeProp (Online)	Section :	Business
Language :	English		

Advancecon to dispose of Kedah land to Thong Guan for RM34m

KUALA LUMPUR (Oct 25): Advancecon Holdings Bhd's 51%-owned indirect subsidiary Spring Energy Sdn Bhd (SESB) is disposing of a piece of land in Kedah to plastic packaging manufacturer Thong Guan Industries Bhd for RM34 million or RM9.95 per sq ft.

Measuring 317,300 sq m, the freehold vacant industrial land is located in Bandar Gurun in Kuala Muda.

In a bourse filing on Tuesday (Oct 25), the earthworks and civil engineering specialist said the proposed disposal will enable Advancecon to unlock the value of its assets, thereby strengthening its cashflow position.

“The proceeds from the proposed disposal are expected to be utilised by the company and/or its subsidiaries for the repayment of some bank borrowings, as well as for working capital within 12 months from receiving the purchase price,” it added.

The original cost of investment in the property was RM30.8 million.

Thong Guan and SESB had entered into a sale and purchase agreement for the proposed land disposal. SESB's principal activity is as quarry operator and contractor in civil engineering works.

The land disposal is expected to be completed before Feb 28, 2023.

Advancecon's share price closed down one sen or 3.85% at 25 sen on Tuesday, giving it a market capitalisation of RM123 million. The stock has fallen 19.4% year-to-date.

MEDIA CLIPPING

Client :	Advancecon Holdings Berhad	Date :	26 October 2022
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Language :	English		

Advancecon to sell Gurun industrial land to Penang-based Thong Guan Industries



ADVANCECON Holdings Bhd's 51%-owned subsidiary has proposed to sell a plot of freehold industrial land to Penang-based plastic packaging manufacturer Thong Guan Industries Bhd for RM34 million.

The land, measuring 317,300 square metres in Gurun, Kedah, is owned by Spring Energy Sdn Bhd. The sale price works out to RM9.95 per sf.

In an exchange filing yesterday, Advancecon said the funds raised will be used to repay some bank borrowings and used for working capital.

Advancecon operates through four segments: construction and support services, property investment, green energy, and quarry operation. Its indirect subsidiary Spring Energy's principal activity is quarry operator and contractor in civil engineering work.

For the first six months ended June 30, 2022, Advancecon posted a net loss of RM1.53 million on turnover of RM99.17 million. - TMR