

PRESS RELEASE**FOR IMMEDIATE RELEASE**

ADVANCECON DELIVERS ROBUST Q3 FYE 2024 GROWTH WITH 101% INCREASE IN PAT

Key Highlights:

- **Healthy order book:** Maintained an order book value of RM277 million as of 30 September 2024, ensuring strong revenue visibility.
- **Renewable energy milestone:** Successfully achieved commercial operation of the 37.7MWp large-scale solar farm in Kuala Langat, Selangor on 8 November 2024, now contributing to both revenue and profit generation.
- **Growing demand for CLQs:** Anticipates a surge in demand for high-quality Centralised Labour Quarters driven by increasing pressure on companies to comply with the Employees' Minimum Standards of Housing, Accommodations, and Amenities Act 1990 (Act 446).

KUALA LUMPUR, 27 November 2024 – Earthworks and civil engineering services specialist, **Advancecon Holdings Berhad (前进控股有限公司) (“ADVCON” or “the Group”)** today announced its third-quarter results for the financial year ending 31 December 2024 (“**Q3 FYE2024**”).

For Q3 FYE2024, ADVCON recorded a **Profit Attributable to Owners of the Company of RM0.004 million**, marking a significant turnaround from the **RM0.61 million loss** in the same quarter last year, representing an impressive **101% increase** year-on-year. Concurrently, its Profit Before Tax also grew by RM0.09 million or approximately 26% to RM0.45 million. Despite this improvement, the Group reported **revenue of RM95.81 million**, a decline of **RM26.84 million or 22%** compared to last year.

Commenting on its performance, **Group Chief Executive Officer Dato' Phum Ang Kia** (“拿督潘红仔”) said, “Our revenue for the quarter reflected a temporary dip due to the completion of several key projects, leading to fewer ongoing projects during this period. However, our **Construction business segment remains a robust growth driver**, contributing **RM40.2 million, or 41.9% of the Group's revenue**, for the quarter under review.”



Dato' Phum Ang Kia, GCEO

“At the same time, we are excited about the growth potential of our other business segments, **particularly the green energy sector**. The recent **commercial operation of our large-scale solar photovoltaic farm** on 8 November marks a significant milestone, as it is now **actively generating both revenue and profit** for the Group. Looking ahead, we aim to **expand our renewable energy portfolio to 50MWp in the coming year and are exploring other green energy opportunities**, including hydro projects, to further solidify our position in the sustainable energy space,” added Dato' Phum.



37.7MWp large-scale solar farm in Kuala Langat, Selangor

The Group's Development business segment which focuses on the construction of centralised labour quarters ("**CLQs**") continues to advance steadily. Following the successful completion of Blocks A and B at Asrama Murni Jelapang, Ipoh, the Group is set to refurbish two additional blocks, C and D, to meet the growing demand. With increasing pressure on companies to comply with the Employees' Minimum Standards of Housing, Accommodations, and Amenities Act 1990 (Act 446), the Group anticipates a surge in demand for high-quality CLQs, further strengthening its position as a key provider in this essential market.

For the nine months ended 30 September 2024 ("**9M FYE 2024**"), the Group recorded revenue of RM282.71 million, reflecting a decline of approximately RM70.40 million or 20% compared to the previous year. This performance is attributable to the timing of project completions and fewer ongoing projects during the period. Consequently, the Group reported a Loss After Taxation of RM19.06 million and a Loss Before Taxation of RM18.81 million.

Despite these challenges, the Group remains focused on strengthening its core business segments while seizing opportunities in the renewable energy and development sectors. By leveraging its expertise and prioritising sustainable growth initiatives, the Group is confident in its ability to drive long-term value creation and profitability for its stakeholders.

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About Advancecon Holdings Berhad (前进控股有限公司, www.advancecon.com.my)

Founded in 1990, Advancecon is primarily involved in the provision of earthworks and civil engineering services in Malaysia, as well as related support services such as the sale of construction materials, hiring of machinery, and ad-hoc general construction services. The Group was listed on the Main Market of Bursa Malaysia on 10 July 2017.

Advancecon's wide range of earthworks services encompass excavation and fill, rock-blasting, ground treatment works, erosion and sediment control plan, as well as compaction and surface finishing processes. On the civil engineering services front, Advancecon specializes in road works, drainage works, bridge construction, water supply works, and sewerage works.

To date, Advancecon has undertaken earthworks and civil engineering works for notable projects nationwide, including various township developments such as Bandar Setia Alam, Setia EcoHill, Setia Eco Gardens, Eco Majestic and Tropicana Aman, as well as infrastructure projects in relation to the construction of highways and railway such as West Coast Expressway (WCE), South Klang Valley Expressway (SKVE), Trumpet Interchange and Ecohill Link connected to Lebuhraya Kajang Seremban (LEKAS) Highway and East Coast Rail Link (ECRL).

In 2019, Advancecon also established a renewable energy subsidiary, Advancecon Solar Sdn Bhd, which will undertake the development and/or operations of power generation from solar and other renewable energy projects. It currently owns revenue-generating rooftop solar assets of more than 1.2MWp and also a 37.7MWp large-scale solar farm in Kuala Langat, Selangor which commenced operation on 8 November 2024.

In 2021, Advancecon further completed the acquisition of a 51% stake in Spring Energy Resources Berhad ("Spring Energy"), which is an integrated quarry operation management and service provider involved in contract quarry operations, provision, marketing and management of quarry products, related advisory services, as well as the undertaking of quarry-related earthworks and civil engineering works.

In 2024, Advancecon entered into a Joint Development Agreement with Perak Corporation Berhad to develop Silver Valley Technology Park (SVTP) on an 816-acre land in Kanthan, Perak, with an estimated Gross Development Value of RM1.0 billion, which is envisioned to be a state-of-the-art industrial park.

For more information, please visit <https://www.advancecon.com.my/>.

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Forward-Looking Statements

The statement included in this press release, other than statements of historical facts, are forward-looking statements. Forward-looking statement generally can be identified by the use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "anticipate," "plan," "seek," or "believe." These forward-looking statements, which are subject to risks, uncertainties, and assumptions, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations about future event. There are important factors that could cause our actual results, level of activity, performance, or achievements to differ materially from the results, level of

activity, performance or achievements expressed or implied by the forward-looking statement, including, but not limited to our ability to win additional business. Although we believe the expectations reflected in the forward- looking statements are reasonable, we cannot guarantee future result, level of activity, performance, or achievements. You should not rely upon forward-looking statements as predictions of future events. These forward-looking statements apply only as of the date of this press release; as such, they should not be unduly relied upon as circumstances change. Except as required by law, we are not obligated, and we undertake no obligation, to release publicly any revisions to these forward-looking statements that might reflect events or circumstances occurring after the date of this release or those that might reflect the occurrence of unanticipated events.