

FBG adds RM132.5mil work package to Australian defence contract

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KUALA LUMPUR: FBG Holdings Bhd has signed a third amendment to its contract with the Australian Department of Defence, adding a new RM132.51 million work package to the Butterworth infrastructure project at the Royal Malaysian Air Force base in Butterworth, Penang.

The amendment is made under the existing Head Contract (International) and the Joint Venture Agreement between FBG Builder Sdn Bhd (FBSB) and Avionics Pty Ltd (APL) for the project.

In a filing with Bursa Malaysia, FBG said the parties have agreed to enter into Deed of Amendment No. 3 (DOA No. 3) to add a new work stage, Flexible Pavements Replacement (Stage 3), to the contract.

FBG said of the new contract value, FBSB will receive RM92.78 million, while APL will receive RM39.73 million.

"The contract is expected to contribute positively to the earnings and net assets of the group for the financial years ending June 30 2026, and June 30 2027.

"The contract will have no material effect on the share capital and substantial shareholders' shareholding of FBG," it said.

Following this amendment, the total value of the entire project now stands at RM311.04 million and AUD2.38 million.

The contract period has also been extended, with Stage 1 running until Jan 6, 2026, and both Stage 2 and Stage 3 ending on Sept 18, 2026.

"No approval is required from the shareholders of FBG to execute the DOA No. 3," the company said. - Bernama