



SARAWAK CONSOLIDATED INDUSTRIES BERHAD

(Registration No.: 197501003884 (25583-W))

(Incorporated in Malaysia)

1. INTRODUCTION

The Board of Directors of Sarawak Consolidated Industries Berhad (“**SCIB**” or “**Company**”) wishes to announce that SCIB Infracore Sdn Bhd. (Registration No.: 200101019133 (554890-K), a wholly-owned subsidiary of SCIB, had on 10 September 2021 accepted a Letter of Award and Acceptance (“**LOA**”) for an engineering, procurement, construction and commissioning (“**EPCC**”) contract.

2. DETAILS OF CONTRACT AWARDED

The details of contract awarded under SCIB Infracore Sdn. Bhd. are as follows:

| Contract Title | Client | Expected Duration | Segment | Country |
|---|--|--|-----------------------|----------------|
| Projek Pembangunan Stesen Pemindahan Sisa Pepejal di Pekan Nenas, Pontian, Johor Darul Takzim | Satria Kasturi (M) Sdn. Bhd. (Main Contractor) | 1 October 2021 until 4 August 2023 (96 Weeks) | Construction/ EPCC | Malaysia |

The estimated total value of the contract awarded is RM16,281,552.60 (Ringgit Malaysia: Sixteen Million Two Hundred Eighty-One Thousand Five Hundred Fifty Two and Cents Sixty Only).

The formal agreement for the abovementioned contract shall be executed in due course.

3. FINANCIAL EFFECTS

The contract secured will not have any effect on the issued share capital and the shareholdings of substantial shareholders of the Company. The contract secured is not expected to have any material effect on the net assets of SCIB and its group of companies (“**SCIB Group**”) for the financial year ending 30 June 2022. Any profits attributable to the Group would be realized in stages over the tenure of the contract based on the progress of the project. The contract secured is expected to contribute positively to SCIB Group’s future earnings over the duration of the contract.

4. RISK FACTORS

The contract is subject to normal business risks such as construction risk, increase in cost due to any escalation of material costs, availability of skilled manpower, materials and contractual terms including default provision and subcontractors’ performance. However, SCIB will put in place control measures and operational procedures to mitigate the risks.

5. DIRECTORS’ AND MAJOR SHAREHOLDERS’ INTEREST

None of the Directors and/or major shareholders of the Company and/ or person connected with them have any interest, direct and/or indirect, in the contract.

6. STATEMENT BY DIRECTORS

The Board of Directors of the Company is in the opinion that the above contract is in the ordinary course of business and is in the best interest of SCIB Group.

7. APPROVALS REQUIRED

The contract is not subject to the approval of the shareholders and/or any regulatory authorities.

This announcement is dated 10 September 2021.