



## **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 Properties Sdn. Bhd. [Registration No.: 200101019135 (554892-V)], a wholly-owned subsidiary of SCIB, had on 23 May 2022 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 Properties Sdn. Bhd.** are as follows:

<b>Contract Title</b>	<b>Client</b>	<b>Expected Duration</b>	<b>Segment</b>	<b>Country</b>
Package 2: Road Infrastructure Projects in Pelagus/ Baleh/ .  Proposed New Road from Baleh Bridge / RH. Belaja, Ng. Benin / SK. Ng. Pelagus / Pelagus Resort (Phase 1 – Section 1), Daerah Kapit, Sarawak	Masama Sdn. Bhd.	May 2022 – March 2023	Construction/ EPCC	Malaysia

The estimated contract value of the contract awarded is RM38,000,000.00 (Ringgit Malaysia : Thirty-Eight Million) 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 pricing, availability of skilled workforce, materials, contractual terms including default provision, subcontractors’ performance and health and safety on standard operational procedures. 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 the 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 23 May 2022.