

Press Release

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SCIB Posts 14.5% Increase in Revenue to RM30.3 Million in 1Q FY2023

Company sees LBT narrow by 65.3% and revenue contribution from manufacturing increase by 26.8%

KUCHING, 30 NOVEMBER 2022 – Civil engineering specialist **Sarawak Consolidated Industries Berhad** ("SCIB" or the "Company") today announced that the Company registered a 14.5% increase in revenue to RM30.3 million for the first quarter ended 30 September 2022 ("1Q FY2023") compared with RM26.5 million in the corresponding quarter of the previous financial year ("1Q FY2022").

For the quarter under review, SCIB's loss before tax ("LBT") narrowed by 65.3% to RM942,000 compared with LBT of RM2.7 million in 1Q FY2022.

On a segmental basis, revenue contribution from manufacturing increased 26.8% to RM24.2 million in 1Q FY2023 compared with RM19.1 million in the corresponding quarter of the previous financial year while revenue contribution from the engineering, procurement, construction and commissioning ("EPCC") business decreased 16.9% to RM6.2 million from RM7.4 million.



Rosland bin Othman,
Group MD and CEO of
SCIB ([Link](#))

Group Managing Director of SCIB, Encik Rosland bin Othman ("En. Rosland"), said, "The manufacturing business continues to be the mainstay in the quarter under review. It has also returned to profitability as there was a profit before tax of RM1.0 million compared with LBT of RM217,000 in 1Q FY2022 mainly attributable to the increase in revenue and contribution margins from the sales of concrete products and lower administrative expenses. The EPCC business saw a slight decline and while there was a loss, profitability actually improved as a result of lower administrative expenses."

"We remain cautiously optimistic as we leverage on our strengths as the largest precast concrete and Industrialised Building System ("IBS") manufacturer in Sarawak and Sabah to continue seeking opportunities in Peninsular Malaysia and Indonesia focusing on small-to-mid-sized infrastructure for water, electricity, roads, health and education projects.



Shamsul Anuar,
Independent Non-
Executive Chairman
([Link](#))

Chairman of SCIB, Encik Shamsul Anuar bin Ahamad Ibrahim ("En. Shamsul Anuar") added, "We view favourably Sarawak Economic Development Corp's successful tender of the RM448 million System Package Two contract for the Kuching Urban Transportation System project phase one as such projects have positive spillover for the state economy."

"The Company recently unveiled an IBS sample house built with 3D printer technology to showcase the important role technology has and will continue to have in the

construction industry. These technology initiatives will play an increasingly important role for us as we transform to meet the challenges of the present and the future,” En. Shamsul Anuar said.

The Company also announced separately on the stock exchange that SCIB and its wholly-owned subsidiaries, SCIB International (Labuan) Ltd., SCIB Properties Sdn. Bhd. and SCIB Industrialised Building System Sdn. Bhd, have issued notices of termination to four clients to mutually terminate contracts with them.

En. Rosland said, “The Company is enforcing its rights under the contracts and taking the necessary measures to protect SCIB’s interests in mitigating the risks arising from the long-overdue debts owing by the clients or the slow or non-movement of progress for projects that these clients have undertaken due to uncertainties arising from the COVID-19 pandemic as well as the economic and political situations. We also made this decision after reviewing and updating the Company’s order book records to reflect the current situation.”

As of 30 November 2022, SCIB has an order book of RM564.7 million with earnings visibility until 2026.

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ABOUT SARAWAK CONSOLIDATED INDUSTRIES BERHAD

Sarawak Consolidated Industries Berhad (“SCIB”) was founded in 1975 and has evolved from a small enterprise into a reputable Group of companies listed on the Main Market of Bursa Malaysia Securities Berhad. Currently, SCIB is operating three factories in Kuching, Sarawak, one factory in the Pending Industrial Estate and two factories in the Demak Laut industrial park.

SCIB is well known for professional management and has long history of innovative ideas and technological advances. Coupled with its wealth of experience and research acquired in more than three decades, SCIB offers its clients in-depth expertise through a combination of technology, efficiency and speed.

For more information, visit scib.com.my.

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