

## **Press Release**

**For Immediate Distribution**

### **SCIB Enforces Rights to Withdraw from Project**

*Company to be reimbursed commitment fee paid out for the project following mutual agreement*

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**KUCHING, 27 JANUARY 2023** – Civil engineering specialist **Sarawak Consolidated Industries Berhad** ("SCIB" or the "Company") today announced that the Company has issued a letter of withdrawal to Kencana Healthcare Sdn. Bhd. ("KHSB") for the proposed engineering, procurement, construction and commissioning ("EPCC") contracts involving a specialist hospital project located in Johor Bahru.

SCIB had accepted a letter of award from KHSB dated 13 August 2021 for EPCC contracts involving the capital equipment procurement as well as the leasing concession for the procurement, supply, installation, testing and commissioning of medical equipment. SCIB and KHSB have mutually agreed to the Company withdrawing from the project.

As part of the withdrawal from the project, KHSB will reimburse under a settlement agreement, the commitment fee amounting to RM1.65 million that SCIB had paid out in two tranches. The withdrawal from the contracts will not have any material effect on the gearing, earnings per share and net assets of the Company for the financial year ending 30 June 2023.



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

**Group Managing Director of SCIB, Encik Rosland bin Othman ("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 delay or non-movement of project progress due to the uncertainties and inability to secure the necessary operator for the project. Additionally, this decision was made due to reviewing and updating our order book records to reflect the current situation."

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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](http://scib.com.my).

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**Issued By:** Swan Consultancy Sdn. Bhd. on behalf of Sarawak Consolidated Industries Berhad  
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