



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 International (Labuan) Ltd. (LL16482), a wholly-owned subsidiary of SCIB had on 3 April 2020 accepted Letters of Award and Acceptance (“**LOA**”) for three (3) engineering, procurement, construction and commissioning (“**EPCC**”) contracts.

2. DETAILS OF CONTRACTS AWARDED

The list of contracts which are awarded under **SCIB International (Labuan) Ltd.** is as follows:

Contract Title	Client	Expected Duration	Segment	Country
Complete Construction of 20 Villas at Street 14, Block 112, Ruwi, Muscat Sultanate of Oman	Revenue International L.L.C.	5 April 2020 – 4 April 2021	EPCC	Oman
Construction and Completion of 2 units of Service Centres located at the region of Al Khor, State of Qatar	Sky View Trading and Contracting W.L.L.	4 April 2020 – 3 April 2021	EPCC	Qatar
Construction, Completion and Maintenance of 18 numbers of Five Storey	Interceptor Trading and Contracting	30 March 2020 – 31 March 2021	EPCC	Qatar

Buildings, Proposed New Boundary Wall, Guard House and Car Parking located at Doha, Qatar	W.L.L.			
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The estimated contract values of the contracts awarded above are USD200.45 million (equivalent to approximately RM864.54 million based on the exchange rate of USD1.00:RM4.313, being the middle rate prevailing as 5.00 pm on 31 March 2020, as published by Bank Negara Malaysia)

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

3. FINANCIAL EFFECTS

The contracts secured will not have any effect on the issued share capital and the shareholdings of substantial shareholders of the Company. The contracts secured are expected to increase the net assets of SCIB and its group of companies (“**SCIB Group**”) for the financial year ending 31 December 2020 and 31 December 2021. The contracts secured are expected to contribute positively to SCIB Group’s earnings over the duration of the contracts.

4. RISK FACTORS

The contracts are subject to normal business risk 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 as well as foreign exchange risks due to currency fluctuations. 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 contracts.

6. STATEMENT BY DIRECTORS

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

7. APPROVALS REQUIRED

The contracts are not subject to the approval of the shareholders and/or any regulatory authorities.