



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 the Company had on 12 September 2023 entered into a Memorandum of Understanding (“MOU”) with PT MRT Jakarta (Perseroda) (collectively referred to as “Parties”) to assess and study potential partnership with regards to the development of the Transit Oriented Development Area (“Assessment of Partnership”) in DKI Jakarta, Indonesia.

2. DETAILS OF THE MOU

2.1 Background Information of PT MRT Jakarta (Perseroda)

PT MRT Jakarta (Perseroda) was established in year 2008 and is a limited liability company duly incorporated under the laws of the Republic of Indonesia, domiciled in Central Jakarta and having its registered office at Wisma Nusantara 21st Floor, Jalan MH. Thamrin Kavling 59, Central Jakarta 10350, and this matter represented by Farchad Husein Mahfud in his capacity as the Business Development Director of PT MRT Jakarta.

2.2 Salient Terms of the MOU

2.2.1 Purposes of the MOU

The proposed MOU with PT MRT Jakarta (Perseroda) serves as a guideline for the Parties to conduct discussions, correspondence, exchange of data and information as well as other related matters in connection with the Assessment of Partnership in accordance with the provisions of applicable laws.

2.2.2 Scope

The scope of the Assessment of Partnership are as follows:

- a) Conduct studies related to land development in Transit Oriented Development Area in DKI Jakarta;
- b) Discussion, coordination and data exchange including but not limited to the results of development studies in relation to land use plans.

2.3 Further Agreement

In event that the defined scopes as per Paragraph 2.2.2 above are achieved, the Parties will conclude binding cooperation agreement ("Further Agreement") setting out rights and obligations as well as roles and functions of each Party with a mutually beneficial partnership principle, and the Further Agreement will supersede the MOU.

2.4 Terms and Termination

2.4.1 The MOU shall be valid for a 1 (one) year period, from the date of signing of the MOU ("Time Period") and may be extended for a certain period upon a mutual agreement between the Parties.

2.4.2 The MOU can be terminated before the end of the Time Period as referred to in paragraph 2.4.1 above:

- a. Upon a mutual agreement between the Parties; or
- b. Execution of Further Agreement.

3. RISK FACTORS

The MOU does not give rise to any risk factors as the MOU is not legally binding except in connection with the provisions of Time Period, Anti-Bribery Management System, Law, Language and Dispute Resolution, Correspondence, Confidentiality, and Closing of the MOU until execution of a Further Agreement to legalise rights and obligations as well as roles and functions of each Party.

4. FINANCIAL EFFECTS OF THE MOU

The MOU will not have any effect on the issued share capital and the shareholdings of substantial shareholders of the Company.

It is not expected to have any material effect on the earnings, net assets and gearing of SCIB and its group of companies for the financial year ending 30 June 2024.

5. DIRECTORS' AND MAJOR SHAREHOLDERS' INTEREST

None of the Directors and / or major shareholders of the Company and / or person connected has any interest, direct and/or indirect, in the MOU.

6. APPROVALS REQUIRED

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

7. DOCUMENT AVAILABLE FOR INSPECTION

The MOU is available for inspection at the business address of the Company at Lot 16024, Jalan Nilam 4, Kawasan Perindustrian Nilai Utama, 71800 Nilai, Negeri Sembilan during normal office hours from Monday to Friday (except for public holidays) for a period of one (1) month from the date of this announcement.

This announcement is dated 12 September 2023.