

Press Release

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SCIB Responds to Awana JV Suria Saga on Settlement Agreement and Initiates Recovery of RM19.7 million

Company Initiates Legal Action to Recover Outstanding Amount Following Breach of Agreement

KUCHING, SARAWAK, 27 JANUARY 2025 – Industrialised building systems specialist, **Sarawak Consolidated Industries Berhad** ("SCIB" or the "Company"), announces its wholly-owned subsidiary, SCIB Properties Sdn. Bhd. ("SCIBP") has issued a demand for repayment amounting to RM19.7 million from **Awana JV Suria Saga Sdn. Bhd.** ("Awana"). This action follows Awana's failure to fulfil repayment obligations under the Settlement Agreement ("SA"). This development underscores SCIB's commitment to ensuring adherence to agreements and the **recovery of outstanding sums of RM19.7 million** in the best interest of the Company and its stakeholders.

The counterparty, having failed to meet its repayment obligations under the SA, is now deemed to owe SCIB a total of RM19.7 million, which includes RM18.6 million under the SA 2023, RM0.49 million under SA 2024 and RM0.58 million as an additional debt assigned from SCIB Industrialised Building System Sdn. Bhd. **Despite repeated reminders and opportunities for compliance, the counterparty has not fulfilled its financial obligations as agreed.**

In light of this breach, SCIB has exercised its contractual rights to terminate the agreement. The Company has issued a formal demand for the settlement of the total outstanding sum within 14 days. Should the counterparty fail to comply, SCIB will initiate legal proceedings to recover the owed amount, along with all applicable costs and expenses.



Mr. Ku Chong Hong, Group Managing Director of SCIB, stated, "SCIB remains steadfast in safeguarding the Company's financial position and ensuring that all agreements are honoured. The decision to terminate the settlement agreement was not taken lightly but was necessary to uphold the interests of our shareholders and stakeholders. We will take all necessary measures to recover the outstanding sums while maintaining our focus on operational excellence and growth."

This action aligns with SCIB's broader strategy to reinforce financial discipline and accountability across all engagements. The Company will continue to monitor developments and provide updates as necessary.

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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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