



SARAWAK CONSOLIDATED INDUSTRIES BERHAD

(Company No.: 25583-W)

(Incorporated in Malaysia)

General Announcement

1. INTRODUCTION

The Board of Directors of Sarawak Consolidated Industries Berhad (“SCIB” or “Company”) wishes to announce the following:

- (i) SCIB has accepted Letters of Award and Acceptance (“LOA”) for three (3) engineering, procurement, construction and commissioning (“EPCC”) contracts; and
- (ii) SCIB Properties Sdn. Bhd. (“SPSB”), a wholly owned-owned subsidiary of SCIB has accepted the LOA for two (2) EPCC contracts.

2. DETAILS OF CONTRACTS AWARDED

2.1 The list of contracts which are awarded under SCIB is as follows:

Contract Title	Client	Duration	Segment	Country
Project Temporary Facility PKG05 HEC Office Building	PT. Samudera Nusantara Energi	3 October 2019 – 2 May 2020	EPCC	Indonesia
Construction, Completion & Maintenance of 6 Villas (Ground + 1 st Floor + Penthouse, including external majlis, ancillary block and external block works) at Al-Qutaifiya,	Pavilion Qatar Engineering Co. W.L.L.	10 October 2019 – 17 October 2020	EPCC	Qatar

Qatar				
Complete Construction of nine (9) Residential Villas at Street 47, Block 327, Al Hayl, Muscat, Oman	Revenue International L.L.C.	16 October 2019 – 15 October 2020	EPCC	Oman

The estimated contract values of the contracts awarded above are USD27.99 million (equivalent to approximately RM117.2 million based on the exchange rate of USD1.00:RM4.187, being the middle rate prevailing as 5.00 pm on 24 October 2019, as published by Bank Negara Malaysia)

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

2.2 The list of contracts which are awarded under SPSB is as follows:

Contract Title	Client	Duration	Segment	Country
Letter of Award for Main Building Works Phase 1 Package C: Independent Utility Facility (IUF)	Edaran Kencana Sdn. Bhd (“EKSB”)	8 November 2019 – 7 June 2020	EPCC	Malaysia
Letter of Award for Main Building Works Phase 1 Package C: Maintenance, Repair & Overhaul (MRO)	EKSB	8 November 2019 – 7 June 2020	EPCC	Malaysia

The estimated contract values of the contracts awarded above are RM58.2 million.

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 not expected to have any material effect on the net assets of SCIB and its group of companies (“**SCIB Group**”) for the financial year ending 31 December 2019. The contracts secured are expected 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. 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 to them have any interest, whether 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 Company.

7. APPROVALS REQUIRED

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

Date of Announcement: 25 October 2019